



AIRPORT STRATEGIC BUSINESS PLAN

MARANA REGIONAL AIRPORT
MARANA, ARIZONA | FEBRUARY 2017



GENESIS
CONSULTING GROUP



ARMSTRONG

Marana Regional Airport

Airport Strategic Business Plan

Final Report

Prepared for
Town of Marana, Arizona

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February 2017

ADOT No. E5S3N

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EXECUTIVE SUMMARY

Executive Summary

MARANA REGIONAL AIRPORT – BUSINESS PLAN

INTRODUCTION

The purpose of this business plan for the Marana Regional Airport is to develop decision-level information that the Town of Marana can use to chart the future course of the Airport. To accomplish this, an examination of the financial production of the Airport was made and reported in pro formas. In addition, the plan studied operational and managerial issues to determine if there were better or more efficient methods that could be used. The plan is founded upon an understanding of current activities at the Airport and sets forth options to address several key areas: marketing for aviation users and non-aeronautical business, potential areas of development on Airport property, the possible need for new hangar space, the desire to increase corporate use of the facility, and capitalizing on several growth opportunities in the greater Tucson Metropolitan Statistical Area (MSA) The recommended plan of action from this report rests on four primary strategic initiatives:



1) *Marana Regional Airport and Town of Marana Branding and Marketing:* This initiative begins with building a stronger Airport/Town brand, and undertaking marketing campaigns that communicate the value of utilizing the Airport to aircraft owners and operators in the market area, along with compatible business and industrial operators. Creating a stronger brand, taking the message to users, and delivering on the promise of value will strengthen the Town’s growth initiatives for the Airport.

2) *Hangar and Facility Development and Activity Growth:* Pursuing the development of hangars and other “on airport” aviation facilities and infrastructure will bolster revenue production and attract based aircraft activity in the service area. Major potential exists in activity growth for large corporate aircraft if appropriate facilities and handling infrastructure are available on the airport. These investments will not only improve the Airport for existing and prospective users, but demonstrate to the market the Town’s commitment to providing a facility that can meet their needs now and in the future.

3) *Non-Aeronautical Land Development:* In addition to developing land on the Airport for aviation use, property that is not needed for aeronautical uses, both on and adjacent to the airport, should be developed for compatible land use purposes. This would include industrial or commercial sites that could exist in harmony with the Airport’s operation, but yield revenues to support the Town’s bottom line in its operation of the Airport. A critical part of successfully attracting such private investment will be the extension of centralized water and wastewater infrastructure to the Airport.

4) *Expanded Partnerships:* The Marana Regional Airport should investigate opportunities for Airport/Business partnerships that will benefit the future growth and development at the airport. Given the immediate potential for growth in large corporate aviation traffic, opportunities may exist

in the areas of hangar complex development, terminal building development, and other business or industrial site developments.

AIRPORT MISSION

The Mission Statement captures the intent of the Marana Regional Airport to grow into the future as a safe, secure, and responsible facility that serves as an economic engine to achieve those desired economic opportunities sought after by the community and region. To fulfill the intent of its Mission Statement, the Marana Regional Airport must build on its current foundation and improve its capabilities into the future to accommodate those goals for operational effectiveness and economic opportunities set forth by the Airport and community. In 2015, the Marana Regional Airport adopted the following mission statement that characterizes its position and future goals.

The Marana Regional Airport seeks to provide a safe, secure, and welcoming airport where the economic environment drives aviation opportunities for both resident and business communities.

The Mission Statement provides a general description of what the Marana Regional Airport will become in future years. Maintaining the community core values, establishing an appropriate vision for the future, and developing practical and obtainable objectives provides a road map for accomplishing that mission. The Airport's operators already supply a full range of FBO services including amenities most often utilized by business and corporate operators, and further supporting the Airport's mission.

SITUATIONAL ANALYSIS

The Town of Marana resides within the general boundaries of the Tucson MSA, and much of the area economic data was drawn from statistical analysis of that area. It is important to note that while the general Tucson MSA has endured several both positive and negative economic cycles, the Town of Marana enjoyed a somewhat more growth trend driven by higher end development over recent years. Within this regional economic environment, certain industries such as aviation and airport's tend to reflect a combination of national trends and local economic factors. The national outlook indicates aviation will continue to grow over the long run. Fundamentally, over the medium and long-term, demand for aviation is driven by economic activity. According to the *FAA Aerospace Forecast, Fiscal Years 2015-2035*, the forecast calls for U.S. carrier passenger growth over the next 20 years to average 2.0 percent per year, slightly lower than last year's forecast. The U.S. economy began to show improvement in the latter half of 2014 while the economies in the rest of the world showed mixed results. With lower energy prices, U.S. carrier profitability should remain steady or increase as an economy in its sixth year of recovery leads to strengthening demand and increased revenues, while operating costs are falling or stable. Over the long term, the industry should see a competitive and profitable aviation industry characterized by increasing demand for air travel and airfares growing more slowly than inflation, reflecting over the long term a growing U.S. economy.¹

The analysis of aviation data for the Marana Regional Airport in recent years indicate that the Airport is experiencing a primary shift from the small general aviation aircraft market to a substantially larger corporate aircraft market. This shift to heavier aircraft types and frequencies also presents challenges to the Airport's existing infrastructure, and ability to serve the long-term market without substantial

¹ Retrieved from <https://ebr.eller.arizona.edu/about-us/forecast-update>

additional investment in infrastructure upgrades. Future development in facilities, fueling capabilities, parking and apron configurations, and service will all be necessary to accommodate the demand of a new generation of larger aircraft utilizing the airport in the future. If funding is not acquired promptly, and the infrastructure is not improved as necessary to support the new traffic demands, it seems unlikely that continued growth of this market can be sustained long-term. Therefore, it is paramount that an appropriate and attainable development strategy to address the infrastructure needs be initiated in the immediate future.

Extrapolations out to the current forecast horizons indicate that Marana will continue to support existing Fixed Base Operators (FBO), hangar, and aircraft refurbishing operations, and that small GA aircraft growth will continue at a modest pace. However, the real growth will occur in larger corporate type aircraft, and related support services.

OVERALL AIRPORT DEVELOPMENT

The general infrastructure of the Marana Regional Airport has developed over the years to meet the needs of the current business and operations levels of the airport. While the existing infrastructure is considered adequate for today, many of its systems will need to be upgraded and expanded to meet future needs.

However, this Business Plan maintains that things are changing. The mission of the airport appears to be changing from the traditional role of accommodating small GA aircraft of 12,500 pounds or less, to accommodating much larger corporate type aircraft of substantially heavier weights. The current pavement strengths, and configurations of many of the airport's taxiways and apron areas are not designed to accommodate regular use by heavier corporate aircraft. In similar fashion, other elements of the airport's infrastructure such as fuel farms, hangars, terminal buildings, and support structures are not well suited to accommodating the change from smaller to larger aircraft either. Additionally, the successful implementation of a Business Plan and its market objectives will likely increase the transition pace to heavier aircraft soon.

In summary, the actual configuration of the Marana Regional Airport is more than sufficient to accommodate the number of aircraft operations that may be expected within the current forecast horizon. However, the ability to physically accommodate those aircraft and their service related demands in the developing future market will require infrastructure strengthening, realignment, and development of new facilities across the airport.

With appropriate planning, the most effective utilization of airport land will occur if three distinct districts on the airfield are developed, each zoned for specific types of development. This type of segregation of uses will allow for the most efficient development of similar businesses, and help promote the highest and best use of the available developable land. A description of these three districts and their related uses follows:

Specialty Aviation Services Complex: This district shown in yellow on the Exhibit are located on the west side of the airport, and accommodates specialty operations such as aircraft refurbishing, airframe modifications, hangars for mechanical and avionics shops, and other specialty work associated with heavy aircraft maintenance.

General Aviation Complex: The General Aviation Complex, shown in blue, is in the southern and central portions of the airfield, and is designed to accommodate a wide variety of aircraft hangars, shade hangars, and open aircraft parking facilities. Other buildings in this area currently include the FBO facilities and fuel farm, and the airport administration and maintenance buildings. Future growth in this area will be directed towards hangar and facility development for small to medium sized General Aviation aircraft.

Corporate Development Complex: The Corporate Development Complex shown in green, and located on the eastern side of the airport, is largely undeveloped today, consisting of a large asphalt aircraft parking apron, and connecting taxiways. Future planning indicates that this area is best designated for the development of facilities and services to accommodate larger corporate type aircraft and their related service requirements. Such development will likely include large hangars, satellite fueling services, specialty maintenance operations geared towards large corporate aviation, an executive terminal building, and potentially a small office complex.

Adjacent Business/Industrial Development: In addition to the three development areas located on the Marana Regional Airport, the Town of Marana will also consider the direction of the larger developable areas located immediately adjacent to the airport. Most of the lands immediately surrounding the airport are zoned for industrial use, and by that definition, most of the operations that can be accommodated within those areas should be compatible with adjacent airport uses.

NEW BUSINESS DEVELOPMENT OPPORTUNITIES

Analysis of recent growth trends in the Town of Marana, and corresponding increases in air traffic and service demands at the Marana Regional Airport, highlights a potential for new business development opportunities. In general terms, Marana's various attractions are bringing an increasing number of large corporate aircraft into the community, and creating an associated increase in demands for fuel and other revenue producing services. However, the increasing demand has also signaled an increasing burden on the airport's current infrastructure. There is an immediate need for upgraded taxiways and apron areas, as well as other facilities to accommodate those new development opportunities already on the airport's doorstep. The cost of such new or upgraded infrastructure will be in the millions of dollars, and the airport will need to exploit every financial opportunity possible to develop the necessary infrastructure in time to accommodate the projected new business growth. This business plan explores the Airport's current financial structure, and discusses future revenue development and funding opportunities that will be necessary to successful development.

The growth potential for Marana is substantial. Current circumstances indicate that there are numerous high value target markets, both aviation and non-aviation, that can be accommodated on and around the airport that can be exploited with future marketing and development efforts. The net result is that the airport appears to be on the front end of several developing opportunities that could mark a period of substantial growth for the facility. In many ways, new business or attractions drives more of the same, and the Airport and Town of Marana will employ their joint marketing and economic development strategies to develop those opportunities.

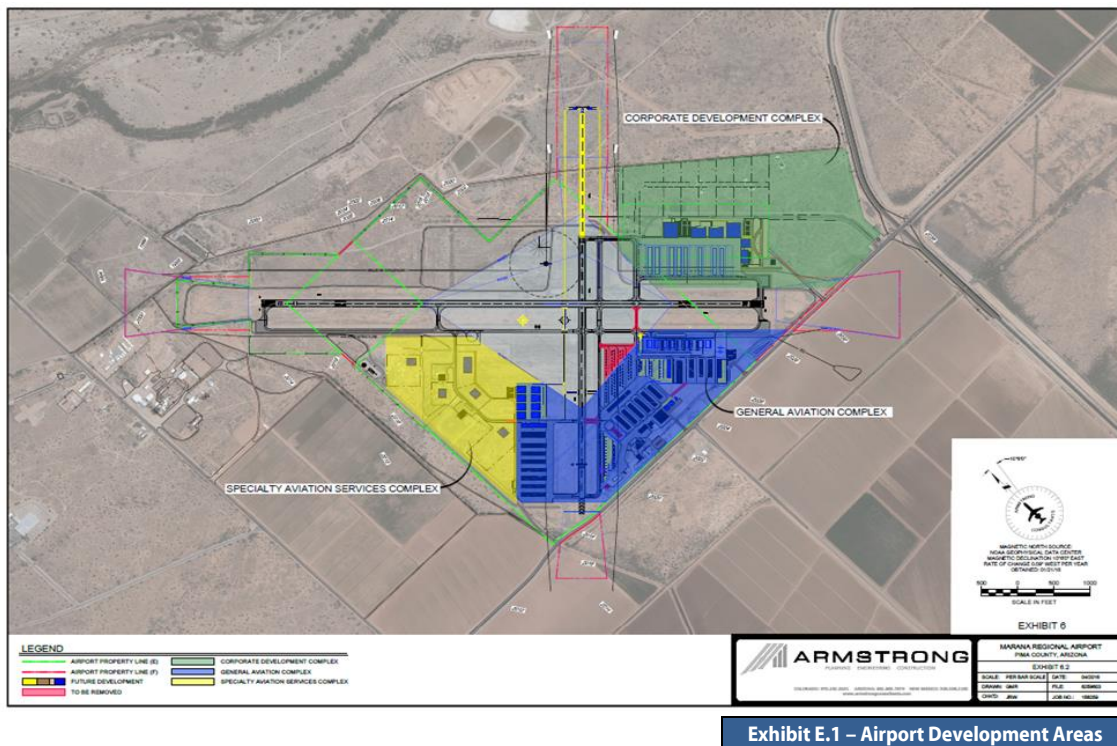


Exhibit E.1 – Airport Development Areas

THE FUTURE

The Marana Regional Airport Strategic Business Plan has explored the Airport’s business history, its financial status, and evaluated current and potential future markets. As part of that process goals and objectives were developed and prioritized to meet the demands of the future. Logical next steps call for the development and execution of specific action plans for each of the stated goals, development of a marketing plan, and continued progress on the airport’s infrastructure and business development track.

The Marana Regional Airport is well positioned to accommodate developing opportunities, and will be a dynamic partner with the Town of Marana in the development of area businesses and industry into the foreseeable future.

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CHAPTER 1

Chapter 1 – Airport Strategic Business Plan

1.1 INTRODUCTION

The Marana Regional Airport (Airport) is in the process of updating its Airport Master Plan, which was last prepared in September 2007. As a result, the Town of Marana has undertaken a measured and comprehensive approach to this planning process in an effort to better focus future development efforts, which should in turn enable the airport to become an effective and relevant transportation resource for the long-term benefit of the Town and surrounding communities. To ensure that the Airport’s future growth potential is maximized, the Town has also chosen to complete a Strategic Business Plan for the Airport that will identify the long-term Mission, Vision, Values, and Goals of the facility and incorporate them into future planning and development efforts.

1.2 PURPOSE

The Strategic Business Plan will be a resource document for the Airport that uses a logical and disciplined structure to set out goals, objectives, and action plans that will drive the day-to-day operation, management, and economic development of the airport. One hopes that with the implementation of this plan, specific questions will be addressed, such as: What should be the “primary” purpose or role of the Airport in the future? How will the community obtain maximum benefit from the Airport’s operation? How should the general aviation scope be expanded to include additional pursuits such as increased charter, corporate, and other air services? Establishing the “primary” purpose or direction through this study ultimately provides focus and guidance for subsequent development efforts. In addition, the Business Plan will:

- Establish strategies to achieve business goals and objectives
- Define the Mission and Vision of the Airport
- Maximize revenue and development potential

1.3 AIRPORT BACKGROUND

The Marana Regional Airport is owned and operated by the Town of Marana, and is located approximately 15 miles northwest of Tucson and five miles west of Interstate 10 on Avra Valley Road. The Airport is home to many businesses and more than 260 privately owned general aviation aircraft. The airport supports employment for 250 individuals and is a catalyst for economic activity that exceeds \$50,000 per day, or \$19.4 million per year. Meetings with economic development and planning officials from the Town of Marana indicate that areas around the airport are planned to include industrial, commercial, and hospitality uses that can take advantage of the airport facilities and help establish a major business and employment center around the airport.

The Marana Regional Airport is classified as a general aviation reliever facility by the FAA; it is a reliever airport for the Tucson International Airport located to the south. The Airport site encompasses approximately 600 acres of land, and resides at an elevation of 2,031 feet mean sea level (MSL). The airport’s primary runway is 6,901 feet in length, and is supported by a crosswind runway that is 3,892 feet in length. In 2014, the Marana Regional Airport reported 90,000 aircraft operations.

As previously mentioned, the Airport is in the process of updating its Airport Master Plan. The master plan update will evaluate current design standards for the Marana Regional Airport, and provide basic guidelines for a safe, efficient, and economic airport system. The standards cover the wide range of size and performance characteristics of aircraft that are anticipated to use an airport over the course of a 20-year planning period. Furthermore, various elements of the Airport's infrastructure and their functions are also addressed by these standards. A crucial component of the master plan is designating the correct design aircraft so that the Airport can plan and design future development projects with those aircraft design standards in mind. It is important to note that this design aircraft may change over the course of the planning period, i.e. if the airport sees a significant increase in operations from larger jet aircraft, and one type in particular, justification for changing the design aircraft for the airport may be warranted.



Exhibit 1.1 – Marana Regional Airport Aerial

1.4 HISTORY AND DEVELOPMENT

The history of the development of the Marana Regional Airport has been documented by the Town of Marana. A brief overview of the Airport's history is included into this report as follows:

- Two years after the United States entered World War II, Marana Regional Airport began as Marana Auxiliary Army Airfield #2 (Rillito), one of the satellite airfields or “landing mats” serving the nearby Marana Air Base, now known as Pinal Airpark.
- There were five such “mats,” which were 3,000 square foot asphalt pads each with four auxiliary runways utilized by military student pilots to practice take-offs and landings. Other Marana Auxiliary Army Airfields included the following:
 - Marana Auxiliary Army Airfield #1 (Picacho Field, Picacho, Arizona. Now Picacho Stagefield Heliport)
 - Marana Auxiliary Army Airfield #3 (Coronado Field, Red Rock, Arizona)
 - Marana Auxiliary Army Airfield #4 (Avra Field, Marana, Arizona)
 - Marana Auxiliary Army Airfield #5 (Saguaro Field, Marana, Arizona. Currently named El Tiro Gliderport)
- Avra Valley Airport was established, in the same site, by a private operator, and it was then that the first permanent airport buildings were constructed.
- From 1968 through 1969, major runway expansion took place, with 1,200 feet of apron pavement added, and by 1972, the words “Avra Valley” had been painted on one of the runways that had been abandoned. There were ten aircraft based at the airport in 1963. By 1972, the airport was home to 30 airplanes.
- In 1973, the Pima County Department of Transportation took ownership of the Avra Valley Airport. During the remainder of the 1970's, significant construction and improvements to the airport occurred, including the addition of a formal airport entrance and paved parking lot. Airport usage continued to increase which resulted in the expansion of the aircraft parking apron. By 1980, there were approximately 50 based aircraft.
- In 1981, major repairs to the primary runway were completed and it was re-opened with 4,200 feet in length. The airport experienced additional traffic and the total based aircraft had risen to 75. Many new structures were added on the airport property.
- In 1982, the terminal building and offices of the operator were constructed along with the expansion of the auto parking area. Another notable addition was the construction of The Sky Rider coffee shop in 1983. In 1990, expansion and paving of the auto parking area associated with the terminal building was completed. Further runway extensions also were made in the 1990's, along with a new fueling systems.

-
- Finally, in 1999, ownership of the Avra Valley Airport was transferred to the Town of Marana and the name of the airport was changed to Marana Northwest Regional Airport.
 - In 2002, the name of the airport was changed to Marana Regional Airport.
 - In 2006, the Town of Marana contracted for a Master Plan for the airport²

² The history of the Marana Regional Airport. Retrieved from <http://flymarana.com/history>

CHAPTER 2

Chapter 2 – Situational Analysis

2.1 INTRODUCTION

A business plan requires a broad view of regional and local economic circumstances to accurately gauge the influences these factors may have on future business and development efforts. Understanding the regional economic factors, both favorable and unfavorable, will be critical to the success of the Airport’s future development programs. This chapter includes a review of economic indicators from the national, regional, and local levels to acquire a comprehensive picture of the economic environment surrounding the Marana Regional Airport.

2.2 REGIONAL OVERVIEW

The Tucson Metropolitan Statistical Area (MSA) indicators have been flat showing little overall growth during the past three years, with gradually decelerating job gains (**Exhibit 2.1**). As the graph suggests, monthly data for Tucson tends to be volatile. In the third quarter of 2015, Tucson’s employment was virtually unchanged from a year ago, in contrast with the nation, state, and Phoenix MSA, each of which added jobs at a rate of 2.0% or greater.

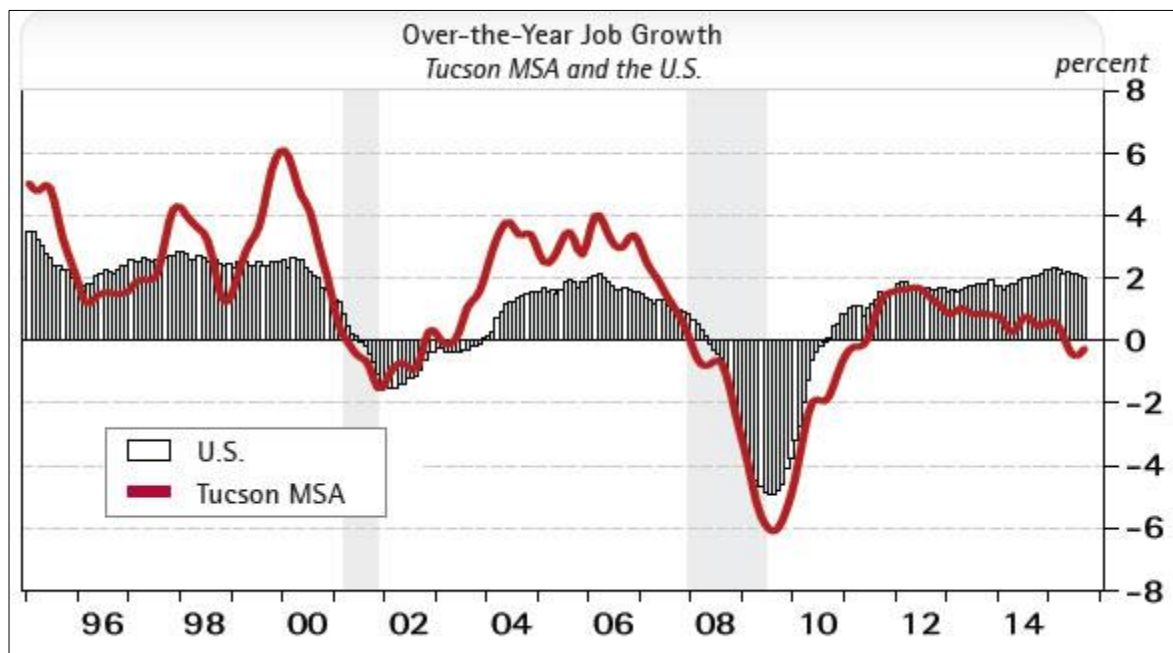


Exhibit 2.1 – Tucson MSA Job Growth

Performance for the Tucson MSA has been quite different across industries during the past year. Professional and business services; leisure and hospitality; education and health care; financial activities; and information all added jobs. However, those gains were roughly offset by losses in natural resources and mining and other services in the MSA such as manufacturing, construction, trade, transportation, utilities, and government. The government sector generated the largest job losses over the year, with the big decline coming in state and local government. These losses also reflect employment reductions at the University of Arizona.

Overall, Tucson's slow growth since 2012 has reflected the impact of declining differences in the performance indices. During 2013-2014, this was primarily driven by federal delay, with the imposition of federal sequester and other budget cuts. Lately, state and local fiscal delays have become more pronounced, with state budget cuts affecting the local economy.

This type of fiscal drag has tended to impact Tucson more than Phoenix or the state. This happens simply because federal and state/local activity is a larger share of the local economy. Government (federal, civilian, and military, as well as state and local) accounted for 21.9% of Tucson's GDP in 2014, compared to 12.4% for the U.S., 13.8% for the state, and 10.1% for Phoenix.

The forecast calls for Tucson to grow during the next three years, but at a modest pace. Job growth accelerates from 0.3% in 2015 to 1.6% by 2017. The acceleration reflects less federal (and state and local) fiscal drag, as well as increased U.S. residential mobility which boosts population gains.

Certain industries such as aviation and airport's tend to reflect a combination of national trends and local economic factors. The national outlook indicates aviation will continue to grow over the long run. Fundamentally, over the medium and long-term, demand for aviation is driven by economic activity. According to the *FAA Aerospace Forecast, Fiscal Years 2015-2035*, the forecast calls for U.S. carrier passenger growth over the next 20 years to average 2.0 percent per year, slightly lower than last year's forecast. The U.S. economy began to show improvement in the latter half of 2014 while the economies in the rest of the world showed mixed results. With lower energy prices, U.S. carrier profitability should remain steady or increase as an economy in its sixth year of recovery leads to strengthening demand and increased revenues, while operating costs are falling or stable. Over the long term, the industry should see a competitive and profitable aviation industry characterized by increasing demand for air travel and airfares growing more slowly than inflation, reflecting over the long term a growing U.S. economy.³

2.3 COMMUNITY OVERVIEW

The Town of Marana is located in between Phoenix and Tucson, in the northwest area of the Tucson MSA (see the Marana Location Map **Exhibit 2.3**). Marana extended its boundaries into Pinal County in 2007, being only the sixth municipality in the state to be in two counties. The Town is bisected by 18 miles of Interstate 10 and the Union Pacific Railroad. It is also bordered by three mountain ranges, the Tortolita Mountains to the northeast, Ironwood Forest National Monument to the west, and Saguaro National Park to the south. These amenities, both manmade and natural, play an integral role in the development of the region and town.

³ Retrieved from <https://ebr.eller.arizona.edu/about-us/forecast-update>

Incorporated in 1977, the Town of Marana is a combination of both rural community and busy commercial centers. The original incorporation covered approximately ten square miles, but has grown today to encompass over 121 square miles with a general population more than forty thousand. The northern parts of the Town of Marana are heavily agricultural along both sides of the Interstate 10 corridor. In other areas, the Town is home to several housings, commercial, and industrial developments that include several science and technology companies from all over the nation. These businesses bring high quality jobs to the community, and provide a growing base for the local economy and commerce.

Development in the Town of Marana is a prime example of progress and innovation, when it comes to use of taxpayer money. While the area has enjoyed a growth rate of nearly 150 percent since 2000, and has developed key infrastructure to handle new developments, Marana residents still enjoy a low-tax environment compared to other similar-sized communities. The community has been recognized for its creative use of funds to ensure that public projects are delivered on time, and on budget. The Town is a community of diverse neighborhoods where residents extend the welcoming environment that southern Arizona is known for. Quality of life is high in this region, and the State of Arizona has been one of the fastest growing states in the country. Arizona's growth brings people and investment that are searching for quality places to live and work. The population today is approximately 40,424 and is expected to grow to over 45,000 during the next five years.⁴

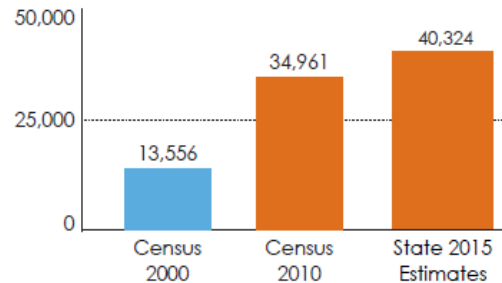
⁴ Retrieved from <http://www.maranaaz.gov/>

DEMOGRAPHICS OF THE TOWN OF MARANA

STATISTICS OF THE TOWN

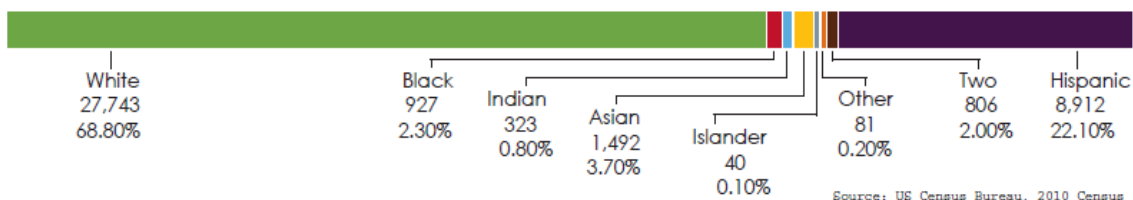
Date of Incorporation	March 20, 1977
Form of Government	Council/Manager
2010 population*	
Median Home Value	\$242,100
Median Household Income	\$70,705
FY2015-2016 Budget	\$144,999,608
Number of Employees	338.73
Area in Square Miles	121
Miles of Streets	300

POPULATION



Source: US Census Bureau, 2007-2011 American Community Survey

RACIAL DEMOGRAPHICS



Source: US Census Bureau, 2010 Census

Exhibit 2.2 – Demographic Data

Visitors from around the country are drawn to the area’s inspiring Sonoran Desert, mountains. A major component of the Southern Arizona economy is heavily supported by tourism and other regional attractions. The area also includes attractions like the Forbes 5 Star Rated Ritz-Carlton Dove Mountain and other world class resorts, as well as outstanding dining, golf and spa facilities. The Town of Marana has also invested in its downtown development area including opportunities for high-end shopping, dining and entertainment. Additionally, the community's Heritage Park and Santa Cruz River Path provides some insight into Marana’s rich history and culture.

2.4 COMMUNITY ECONOMIC DEVELOPMENT OVERVIEW

The Town Council has also initiated a series of visioning and strategic planning processes that resulted in a General Plan and the Marana Strategic Plan, which has provided a proactive approach to address all facets of the community. The Town has dedicated itself to a direction that embraces both quality of life and a progressive business environment that is embodied in the Town slogan shown below:

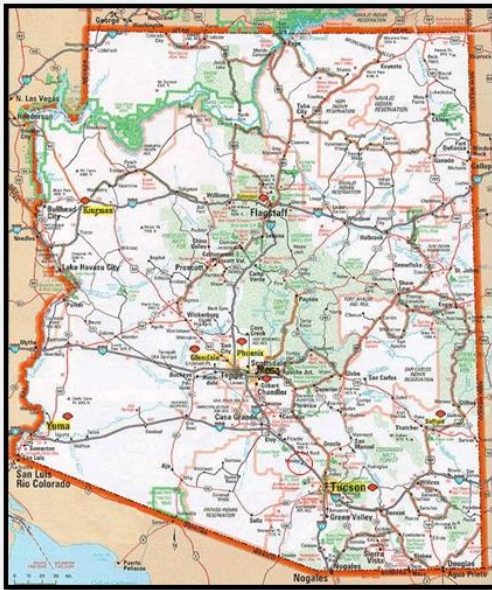
“Marana is the centerpiece of the Sonoran Desert experience, where fun and progress meets.”

Marana is bisected by 18 miles of both Interstate 10 and the Union Pacific Railroad rail line. These transportation systems are important to the growth and economic development of Marana’s business community. Aviation also plays an important role in the community, with the Marana Regional Airport and nearby Pinal Airpark serving industry and general aviation needs.

Major industry employers in and around Marana include Sargent Aerospace & Defense, FLSmidth Krebs, Lasertel, Coca-Cola, Johns Manville, CalPortland, and Comcast.

The Town of Marana has invested heavily in its future through sound strategic planning. The Marana Strategic Plan, completed in 2009 and updated in 2012, outlines the community's key focus areas including Commerce, Community, Progress & Innovation, Heritage, and Recreation. The Town also has an economic roadmap – a strategic planning process to guide the community's economic development efforts.⁵

⁵ Retrieved from <http://www.maranaaz.gov/town-governance>



State of Arizona

Interstate 10 Corridor



Town of Marana

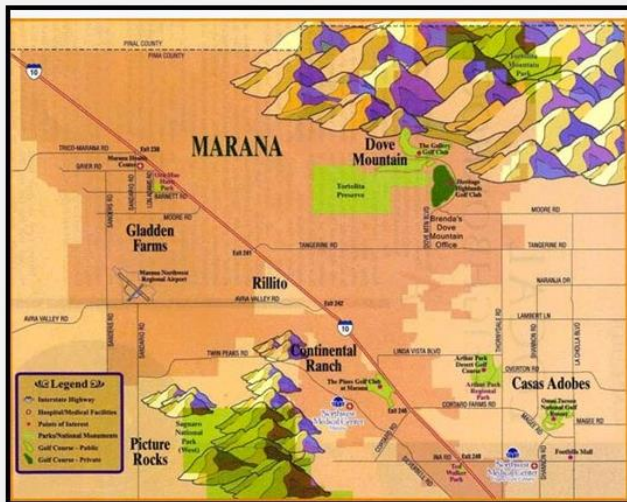


Exhibit 2.3 – Marana Location Map

2.5 TOWN OF MARANA GOVERNANCE STRUCTURE

The Town of Marana has a council-manager form of government, where policymaking is vested in elected representatives and management in an appointed professional Manager. Legislative authority for the Town of Marana is vested in a seven-member Mayor and Council. The Vice Mayor is selected by the Council from among its members. Council members serve four year staggered terms.

The Council sets the duties and compensation of Town officials and employees, and enacts ordinances and resolutions relating to Town services, taxes, appropriating and borrowing moneys, licensing and regulating businesses and trades, and other municipal purposes. The Town Council appoints the Town Manager who has full responsibility for executing Council policies and administering Town operations. Town employees are hired under personnel rules approved by the Council. Functions and operations of Town government are provided by a staff of approximately 338 employees.

Marana Regional Airport is owned by the Town of Marana, which serves as the public sponsor for purposes of obtaining and administering Airport Improvement Program (AIP) grant funding from the Federal Aviation Administration (FAA) and Arizona Department of Transportation (ADOT) to fund improvements at general aviation airport's in the State of Arizona. As with all major Town functions, the Mayor and Town Council have policy and oversight responsibilities for the airport.

The Airport is operated by Town of Marana staff which includes an Airport Director and essential airport operations employees. The Airport Director reports to the Deputy Town Manager, and continues up the chain of command to the Town Manager, the Mayor and City council. See **Exhibit 2-4** below:

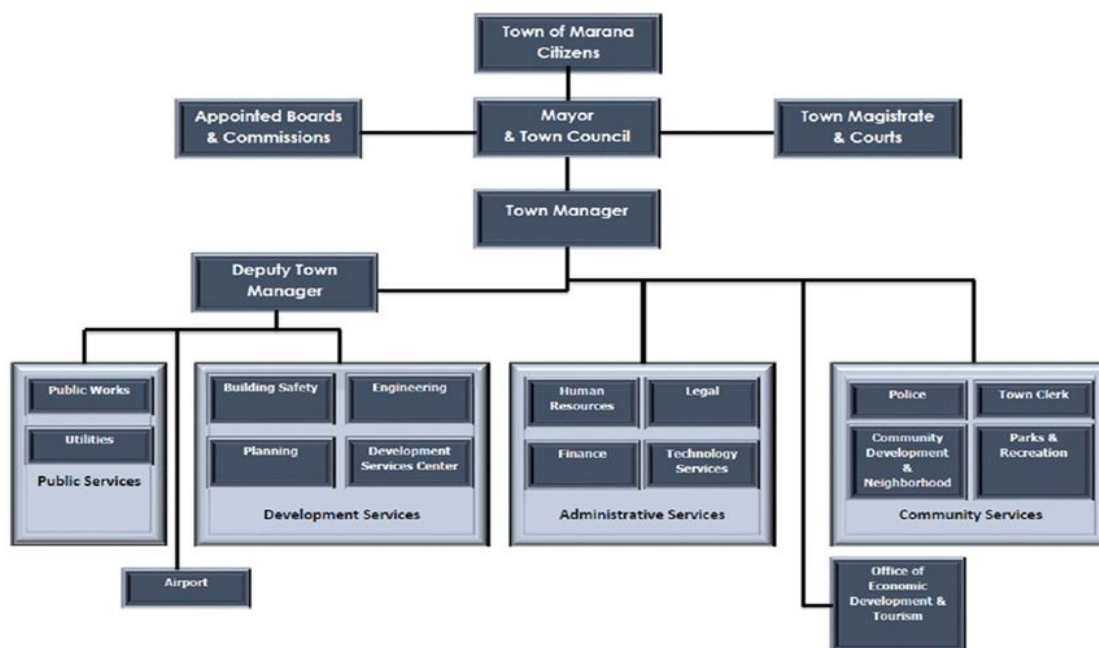


Exhibit 2.4 – Town of Marana Organization Chart

2.6 TOWN OF MARANA FINANCIAL STRUCTURE

Each year the Town of Marana Finance Department and staff prepare an annual budget based on priorities set by the Town Council. The annual budget serves as the funding plan for policies, goals, and service levels provided to the citizens of Marana, and it gives staff the authority to spend funds according to the policy goals set by the Town Council. The budget process allows Town staff the opportunity to review Council's goals and objectives in a formal setting, evaluate and determine what is required to meet those objectives, develop an implementation strategy, and share that information with the Town's citizens and elected officials.

The formal budget process begins in January when the Finance Director, Town Manager, and Staff present Town Council with a review of the current financial condition, projections for the coming fiscal year and a preliminary budget plan for Council's consideration and approval. This study session is a goal setting session that is conducted to address issues and seek policy direction for the development of the budget. Council direction forms the baseline of decisions made in creating the Town Manager's recommended budget for the coming fiscal year.⁶

2.6.1 DEPARTMENT BUDGET DEVELOPMENT

Each department within the Town develops their own budget at the line item level. During the development of the budget they create a list of current year accomplishments, goals, and objectives for the coming year, and performance measures gauging their annual success at aligning their accomplishments, activities, and services with the Strategic Plan goals. These items are all included in the decision packet that is presented to the Executive Budget Team.

2.6.2 BUDGET OFFICE

Individual departments like the Airport submit their line item budget and packets to the Budget Office within the Finance Department where they are reviewed in detail for accuracy, completeness, and reasonableness of all projections. This ensures that the budget contains all the required elements to continue delivering essential services as identified in the Town's Strategic Plan priorities and in accordance with Council direction. The Finance Department compiles all the department budgets into one comprehensive decision packet, which is presented to the Executive Budget Team.

2.6.3 EXECUTIVE BUDGET TEAM

The executive budget team consists of the Town Manager, the Deputy Town Manager, the Finance Director, and the Management and Budget Analyst. They meet to review and evaluate the comprehensive decision packet, and then meet individually with each department to discuss the budget requests for the coming fiscal year. Ultimately, the team assists the Town Manager in assembling the recommended budget for Council consideration.

2.6.4 BUDGET ADOPTION

The Town Manager's recommended, balanced budget is delivered to Council for review and consideration in April each year. Finance complies and finalizes the proposed tentative budget after

⁶ Retrieved from <http://www.maranaaz.gov/>

making the recommended changes from Council. The proposed budget is presented to Council for tentative adoption in the month of May. The adoption of the tentative budget sets the expenditure limitation for the fiscal year. During this time, the budget is available to the general public for feedback and is presented in the local newspapers and open to public comment via scheduled public hearings. The final budget is adopted by Council at the last Council meeting in the month of June.

2.6.5 TOWN OF MARANA – CURRENT EXPENDITURE SUMMARY

The current budgeted expenditures for the Town of Marana include services and programs for the community such as general government, public safety, community and economic development, culture and recreation, highways and streets, airport, and water services. While most operating costs are accounted for in the General Fund some costs are funded by special revenue funds, such as Highway User Revenues Funds for streets maintenance. Enterprise Funds are used to account for water and airport services. The current Town of Marana operating budget broken out by function is shown below in **Exhibit 2-5**.

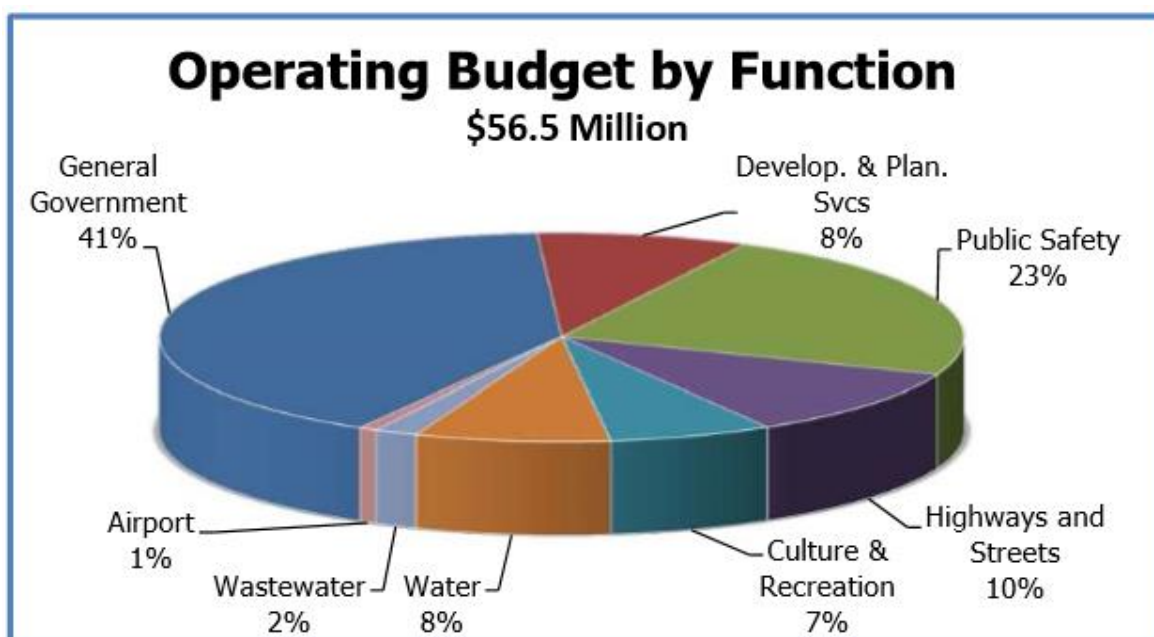


Exhibit 2.5 – Operating Budget by Function

2.6.6 AIRPORT DEPARTMENT – FINANCIAL AND BUDGET OVERVIEW

The Airport Department provides the community with a valuable general aviation air transportation resource that is part of the National Airspace System (NAS) and enhances and preserves the aeronautical industry for the community while maintaining the highest level of safety and professional customer service. The department also markets and leases airport land for aviation related businesses and development. Other department duties include:

- Maintain and enhance airport safety and security;
- Continue to align the airport with the Town Strategic Plan;
- Seek new business development opportunities for the airport;
- Manage all FAA and ADOT grants;
- Manage and coordinate all construction activities at the airport;
- Perform inspections to ensure proper maintenance and compliance with airport mandates;
- Coordinate with contractors and other departments to complete required airport maintenance;
- Manage, coordinate, and review all plans and specifications for airport projects;
- Prepare contracts for maintenance activities and consultant services;
- Ensure compatible land use and development in areas adjacent to the Marana Regional Airport;
- Address public concerns with aeronautical activities and noise;
- Provide financial management of the airport's operations budget; and
- Provide presentations, press releases, and general information for community outreach and community relations.

CHAPTER 3

Chapter 3 – Airport Industry Trends

3.1 INTRODUCTION

Business levels at airport's are influenced by both national and local factors. The state of the national economy, recent trends in air travel and aircraft use, and new aircraft manufacturing all influence the volume and type of aviation activity that may occur at the Marana Regional Airport. Likewise, the state of the local economy, business activities, and other factors that serve to attract aircraft users and associated businesses, are also important factors to consider. Eventually, the combination of these influencers, and the airport sponsor's own marketing and development efforts, will determine the levels of aviation activity the area will receive. This Chapter will explore those trends and forecasts, and discuss recent changes in aviation activity that may influence Marana Regional Airport's future.

3.2 NATIONAL AVIATION TRENDS

Marana Regional Airport is subject to many regulatory and business influencers from the national level to the regional and local level, and all factors must be considered to develop a true picture of the Airport's future. As the economy recovers from the most serious economic downturn since World War II and the slowest expansion in recent history, aviation will continue to feel the economic effects, and growth will be slow over the long run. According to the *FAA Aerospace Forecast, Fiscal Years 2015-2035*, the forecast calls for U.S. carrier passenger growth over the next 20 years to average 2.0 percent per year, slightly lower than last year's forecast. The U.S. economy began to show improvement in the latter half of 2014 while the economies in the rest of the world showed mixed results. With lower energy prices, U.S. carrier profitability should remain steady or increase as an economy in its sixth year of recovery leads to strengthening demand and increased revenues, while operating costs are falling or stable. Over the long term, the industry should see a competitive and profitable aviation industry characterized by increasing demand for air travel and airfares growing more slowly than inflation, reflecting over the long term a growing U.S. economy.⁷

3.3 GENERAL AVIATION INDUSTRY TRENDS

The general aviation market continues its recovery. Again, according to the *FAA Aerospace Forecast, Fiscal Years 2015-2035*, the general aviation industry has made some notable gains within the past few years. For example, in 2014, the turbo jet sector recorded its first increase in deliveries by U.S. manufacturers since 2008. Furthermore, for a third year in a row, single-engine piston deliveries have increased. The long-term outlook for general aviation is favorable, and the near-term also looks promising especially for piston aircraft activity which is sensitive to fuel price movements. While it is slightly lower than predicted last year, the growth in business aviation demand over the long-term continues. As the fleet grows, the number of general aviation hours flown is projected to increase an average of 1.4 percent per year through 2035.

The general aviation market showed improvements in business jet and single-engine piston segments, while declines in turboprop and multi-engine piston markets translated into a slight overall improvement. Overall deliveries were up by 1.0 percent in calendar year (CY) 2014 with a 5.6 percent increase in U.S. billings. Single-engine piston shipments were up for the third year in a row, by 6.2

⁷ http://www.faa.gov/data_research/aviation/aerospace_forecasts/media/2015_National_Forecast_Report.pdf

percent compared to the previous year. Because of a 10.0 percent decrease in the smaller multi-engine category, total piston aircraft shipments by U.S. manufacturers went up by 4.5 percent. Business jet shipments increased by 12.3 percent. However, an 11.2 percent decline in the turbo-prop deliveries generated a 2.1 percent decrease in turbine aircraft shipments (total of turboprop and business jets) by U.S. manufacturers in CY 2014. Turboprop shipments, which had increased by 13.8 percent in 2013, were nearly back to their 2012 levels. General aviation activity at FAA and contract tower airport's recorded a 1.1 percent decline in 2014, which was caused by a decrease in itinerant activity; local operations were slightly down (0.6 percent) compared to previous year.

The active general aviation fleet is projected to increase at an average annual rate of 0.4 percent over the 21-year forecast period, as shown in the draft 2015 Marana Regional Airport Master Plan Update report, growing from an estimated 198,860 in 2014 to 214,260 aircraft by 2035 (**Exhibit 3.1**). The more expensive and sophisticated turbine powered fleet (including rotorcraft) is projected to grow to a total of 45,905 aircraft at an average rate of 2.4 percent a year over the forecast period, with the turbine jet portion increasing at 2.8 percent a year, reaching a total of 20,815 by 2035.

The number of active piston-powered aircraft (including rotorcraft) is projected to decrease at an average annual rate of 0.5 percent from the 2014 total of 139,890 to 125,935 by 2035, with declines in both single and multi-engine fixed wing aircraft, but with the smaller category of piston-powered rotorcraft growing at 2.1 percent a year. Single-engine, fixed wing piston aircraft, which are much more numerous within this group, are projected to decline at a rate of 0.6 percent, while multi-engine fixed wing piston aircraft are projected to decline by 0.4 percent a year.

The total number of general aviation hours flown is projected to increase by 1.4 percent yearly over the forecast period. The FAA projects faster growth in hours will occur after 2023 with increases in the fixed wing turbine aircraft fleet, as well as increasing utilization of both single and multi-engine piston aircraft as the aging of this fleet starts to slow down. In the medium-term, much of the increase in hours flown reflects strong growth in the rotorcraft and turbine jet fleets. It is also expected that declining fuel prices will slow down the decrease in piston flight hours over the short to medium term.

Hours flown by turbine aircraft (including rotorcraft) are forecast to increase 2.9 percent yearly over the forecast period, compared with a decline of 0.3 percent for piston-powered aircraft. Although hours flown by piston rotorcraft are forecast to increase an average of 2.2 percent per year during the forecast period, they have a relatively small share (less than 10 percent) in this segment of hours flown by general aviation aircraft; and thus have a small impact on the overall trend. Jet aircraft are forecast to account for most of the increase, with hours flown increasing at an average annual rate of 3.6 percent over the forecast period. The large increases in jet hours result mainly from the increasing size of the business jet fleet, along with continued recovery in utilization rates from recession induced record lows. Turboprop hours are also expected to continue their increase, as indicated by the 2013 GA Survey.

Rotorcraft hours were less impacted by the economic downturn when compared to other categories and rebounded earlier. However, the 2013 GA survey recorded declines in the active rotorcraft fleet and utilization rates. It is uncertain if the decrease in utilization is permanent. The decline in oil prices has different effects on various segments of this sector. While decreasing activity is expected in oil exploration area, and some other functions such as aerial mapping/ photography, patrol, and surveillance may see decreasing use of rotorcrafts, yet other uses, including corporate, air taxi, air medical, and air tours, may experience offsetting increases. Rotorcraft hours are projected to grow by

3.0 percent yearly over the forecast period with utilization of rotorcraft projected to increase by 0.4 percent a year. Turbine rotorcraft hours are forecast to grow at an average annual rate of 3.2 percent over the forecast period.

Lastly, the light sport aircraft category, which now includes only the special light sport (experimental light-sport aircraft is now considered as part of the experimental aircraft category), is expected to see an increase of 5.1 percent a year in hours flown, primarily driven by growth in the fleet.⁸

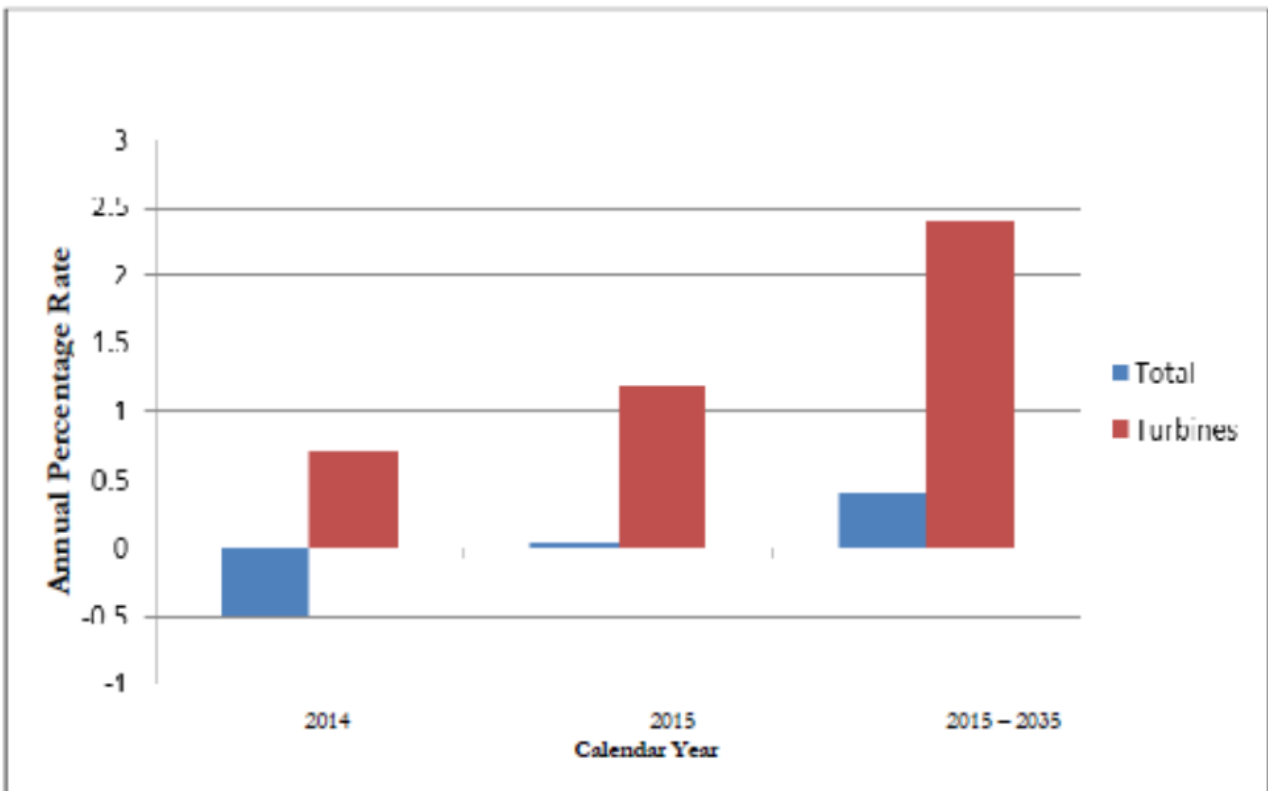


Exhibit 3.1 – Active General Aviation Aircraft

⁸ http://www.faa.gov/data_research/aviation/aerospace_forecasts/media/2015_National_Forecast_Report.pdf

3.4 OTHER AVIATION INDUSTRY TRENDS

Other aviation industry trends in the U.S. include new emerging technologies and the acknowledgement of the importance aviation has on the economy. New technologies such as NextGen and unmanned aerial systems (UAS) continue to expand in a positive direction. Likewise, the aviation industry continues to be economically beneficial for not only the U.S. but also for the state of Arizona; the aviation industry has been found to contribute a sizable amount of jobs and money, either by primary or induced impacts, to the State. Both new emerging technologies and studies documenting the economic impacts of aviation are anticipated to remain trends within the industry in the near future.

Next Generation Air Transportation System (NextGen) is a new era in flight that is transforming how aircraft navigate the sky and is a replacement to the World War II era technology that has until recently been the primary navigation technology. NextGen utilizes satellite technology which allows pilots to know the precise locations of other aircraft around them. This allows more planes to operate in the sky while enhancing the safety of air travel. Satellite landing procedures also allow pilots to arrive at airport's more efficiently by providing more direct flight routes. **Figure 3-2** highlights the airport's in the United States currently benefitting from NextGen technology.⁹



Source: [http://www.faa.gov/nextgen/media/general aviation.pdf](http://www.faa.gov/nextgen/media/general%20aviation.pdf)

Exhibit 3.2 -Airports with LPV Approaches

3.5 REGIONAL AND LOCAL TRENDS

Activity at the regional level, and specifically at the Marana Regional Airport in recent years, has not followed national trends in all categories. For example, annual small GA aircraft operations and based aircraft appear to have declined over the last several years. However, the number of large corporate aircraft operations has risen dramatically, as have corresponding fuel sales related to corporate traffic.

⁹ http://www.faa.gov/data_research/aviation/aerospace_forecasts/media/2015_National_Forecast_Report.pdf

According to the Airport Director, there were approximately 80,000 aircraft operations in calendar year 2014. This number was derived from baseline operations data gathered by airport personnel in recent years. Furthermore, according to airport records, there were 260 based aircraft on the airfield at the end of 2014. FAA Form 5010-1, *Airport Master Record*, is the official record kept by the FAA to document airport physical conditions and other pertinent information. The record normally includes an annual estimate of aircraft activity as well as the number of based aircraft. This information is normally obtained from the airport sponsor and depending on the sponsor's record keeping system, the accuracy will vary. The current FAA Form 5010-1 for Marana Regional Airport indicates 227 based aircraft and 90,000 annual aircraft operations as of August of 2015. Besides Form 5010-1, the FAA also relies on data found on their sponsored website for the National Based Aircraft Inventory Program (www.basedaircraft.com). National Plan of Integrated Airport Systems (NPIAS) non-primary airport's are required to enter and keep up-to-date based aircraft numbers via this database so that Form 5010-1 can be accurately updated by the FAA. At the time of this writing, the Airport Director was in the process of compiling the 2015 based aircraft numbers, which will at some point be updated on the basedaircraft.com website, and ultimately on the Form 5010-1. According to the Airport Director, the numbers on the 5010-1 are outdated; once updated, the 2015 based aircraft and total annual operations should closely resemble those of 2014. Further discussion on the reasoning behind the difference between the actual reported numbers by airport management and those reflected on the 5010-1, and the TAF for that matter, can be found in following section.

The actual number of based aircraft and related operations according to airport management for calendar year 2014 are reported as 260 based aircraft and approximately 80,000 annual operations; these numbers may be attributed to a variety of economic conditions that occurred in the Nation and the state after a general economic downturn beginning in 2008.

Normally aircraft operations are recorded by air traffic controllers and reported to the FAA. As such, for an airport that does not have an air traffic control tower, like Marana Regional Airport, aircraft operations are more difficult to record and are often estimates made by airport management and staff.

Knowing this, the FAA Statistics and Forecast Branch developed Equation #15, *Model for Estimating General Aviation Operations at Non-Towered Airport's*. The model was used to estimate the number of operations at 2,789 non-towered general aviation airport's included in the FAA TAF. Local factors such as the number of based aircraft, population, location, and the number of flight schools is applied to the equation resulting in an estimated number of annual operations.

In the case of the Marana Regional Airport, the previous operation counts and forecasts have proven to be artificially high in the light of the economic conditions from 2008 onward; the aviation industry has only started to recover within the past couple of years. During 2014, management made spot checks of daily aviation activity, consulted fuel sales records, and reviewed historical IFR activity records for the facility to estimate the total annual operations.

Fuel sales at the Marana Regional Airport have increased from approximately 237 thousand gallons of Jet-A in 2008, rising to 346 thousand gallons of Jet-A in 2014; this represents a net gain of more than 32 percent. This is a significant indicator and does not consider that many of the large jets like Gulfstream V's and similar do not buy fuel locally, but rather tanker fuel from other locations where lower fuel prices are available. Additionally, an analysis of jet IFR traffic indicated that 418 jets filed flight plans to Marana in 2010, and only 295 filed in 2014. FAA records indicate a major increase in jet

traffic in 2015, showing approximately 1,222 jet aircraft filed IFR flight plans into or out of Marana; this increase could be an indicator that the aviation industry has started to recover from the downturn which occurred in 2008. Approximately half of those flights were conducted with larger jet aircraft that included Gulfstream IV and V series aircraft, Cessna Citation X, Canadair Challenger 600 series, Bombardier Global Express, and Falcon 900 aircraft. Management believes that this new mix of heavier jets, which consume more fuel, accounts for the increased fuel sales even though actual annual operations appear to be lower.

To summarize, management believes fewer annual operations are occurring compared to the projections made in the FAA Terminal Area Forecast (TAF) and Arizona State Aviation System Plan (SASP). However, more of the larger jet aircraft are frequenting the airport, which provides an explanation for the increased fuel sales. The net result supports management's belief that fewer annual operations occurred at the airport in 2014 due to a change in the composition of aircraft using the facility, which therefore led to the reassessment of the 2014 annual operations numbers to be approximately 80,000 as compared to the 90,000 reported on the 5010-1.

A summary of the historical, existing, and forecasted based aircraft and annual operations data generated from all sources described above are shown in **Exhibit 3.3**. The aircraft type data for the 2015 TAF was estimated by using the ratio of current aircraft types and numbers as reported by airport management for 2014.¹⁰

The above information was derived from the draft 2015 Marana Regional Airport Master Plan Update.

¹⁰ Source ¹Marana Regional Airport Master Plan, 2007; ²Marana Regional Airport management – June, 2015; ³FAA Form 5010-1 – August, 2015; ⁴FAA Terminal Area Forecast Detail Report – January, 2015

Exhibit 3.3 – Historical, Existing, and Forecasted Aviation Activity Data

Based Aircraft						
	2000 ¹	2004 ¹	2014 ²	2015 ³	2015 ⁴	2035 ⁴
Single-engine	189	229	214	189	195	242
Multi-engine	25	28	35	22	28	28
Turboprop	0	12	–	3	3	6
Jet	3	22	4	3	4	41
Rotorcraft	1	4	2	4	2	28
Other	0	0	5	6	5	11
Total Based Aircraft	218	295	260	227	237	356
Annual Operations						
	2000 ¹	2004 ¹	2014 ²	2015 ³	2015 ⁴	2035 ⁴
Itinerant general aviation	17,500	27,090	28,000	30,000	36,484	55,276
Local general aviation	48,500	72,310	32,000	40,000	62,548	94,784
Total General Aviation	66,000	99,400	60,000	70,000	99,032	150,060
Air Taxi and Commuter	5,000	0	8,000	10,000	10,000	10,000
Military	300	2,000	12,000	10,000	5,000	5,000
Total Annual Operations	71,300	101,400	80,000	90,000	114,032	165,060

Source: ¹Marana Regional Airport Master Plan, 2007; ²Marana Regional Airport management – June, 2015; ³FAA Form 5010-1 – August, 2015; ⁴FAA Terminal Area Forecast Detail Report – January, 2015

3.6 TRENDS ANALYSIS

The analysis of aviation data for the Marana Regional Airport in recent years appears to indicate that the Airport is experiencing a primary shift from the small general aviation aircraft market to a substantially larger corporate aircraft market. This shift to heavier aircraft types and frequencies also presents challenges to the Airport’s existing infrastructure, and ability to serve the long-term market without substantial additional investment in infrastructure upgrades. Future development in facilities, fueling capabilities, parking and apron configurations, and service will all be necessary to accommodate the demand of a new generation of larger aircraft utilizing the airport in the future. If funding is not acquired promptly, and the infrastructure is not improved as necessary to support the new traffic demands, it seems unlikely that continued growth of this market can be sustained long-term. Therefore, it is paramount that an appropriate and attainable development strategy to address the infrastructure needs be initiated in the immediate future.

Extrapolations out to the current forecast horizons indicate that Marana will continue to support existing Fixed Base Operators (FBO), hangar, and aircraft refurbishing operations, and that small GA aircraft growth will continue at a modest pace. However, the real growth will occur in larger corporate type aircraft, and related support services.

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CHAPTER 4

Chapter 4 – Mission, Vision, Value, and Goals

4.1 INTRODUCTION

This Chapter seeks to establish a range of market options for the Marana Regional Airport based on its mission, vision, and values statements; a Strengths, Weakness, Opportunities, and Threats (SWOT) analysis, and an analysis of the practical implications associated with each of those options. The following sections describe the details of that process and ultimately the identified markets and related programs that will be important to the future development of the Marana Regional Airport.

4.2 MISSION STATEMENT

An understanding of the local government and airport environment and each of their unique perspectives is essential to the development of a viable Marana Regional Airport Strategic Business Plan. Such understanding constitutes the basis for formulating a mission direction and concise vision that creates the framework for the development of an appropriate Airport Strategic Business Plan study.

The purpose of the Marana Regional Airport Mission Statement is to define the organization’s purpose and primary objectives. These statements define the basis of the Business Plan, and give direction for its development. The basis for the Mission Statement was drawn from several sources including input from the Strategic Business Plan’s first working group meeting. Individual comments and input from members of this group were instrumental in the formulation of a draft Mission Statement for the Marana Regional Airport. From this initial work, a final statement was developed that clearly defines the input of all of the working group members, airport management, and Town government representation.

The following identified areas represent a compilation of the workshop input by those members:

Marana Regional Airport is known for:

- Facilitator of GA activities
- Aviator convenience
- Geographic location/proximity to tourist facilities
- Geographic location/corporate business operators
- Geographic location/general aviation
- Convenience – “Hidden Gem”
- Proximity to resort facilities
- High profile business jet activity
- Lower aviation fuel prices
- Well maintained facilities
- Friendly staff and tenants
- Provides good service
- Ease of ingress and egress
- Security

Marana Regional Airport stands out from the competition because:

- Location and growth region
- Services
- Support from the Town of Marana
- Ease of access
- Friendly staff
- Town support
- Potential for development
- Good access to Interstate 10 and key areas of economic drivers
- Small town feel with a progressive mind set

Marana Regional Airport excels at:

- Flexibility
- Adaptability to business needs
- Restaurant (Sky Rider Café)
- Quality and customer service
- Convenience to users
- Competitive fuel costs
- Involving the community
- Outreach to business community
- Business support

Marana Regional Airport wants customers to:

- Feel Welcome
- Share their great experience with others
- Return to the airport
- Choose Marana to spend their aviation dollars
- Feel safe and secure
- Think of Marana as the landing facility for regional tourism
- Think of Marana as the great place for local general aviation services
- Think of Marana as a fueling and crew preparation site
- Come back

After consideration of each of the elements listed above, the Strategic Business Plan working group formulated the following statement to best describe the mission of the Marana Regional Airport.

4.2.1 MARANA MISSION STATEMENT

The Mission Statement captures the intent of the Marana Regional Airport to grow into the future as a safe, secure, and responsible facility that serves as an economic engine to achieve those desired economic opportunities sought after by the community and region. To fulfill the intent of its Mission Statement, the Marana Regional Airport must build on its current foundation and improve its capabilities into the future to accommodate those goals for operational effectiveness and economic opportunities set forth by the Airport and community.

The Marana Regional Airport seeks to provide a safe, secure, and welcoming airport where the economic environment drives aviation opportunities for both resident and business communities.

The Mission Statement provides a general description of what the Marana Regional Airport will become in future years. Maintaining the community core values, establishing an appropriate vision for the future, and developing practical and obtainable objectives provides a road map for accomplishing that mission.

4.3 VISION STATEMENT

A vision statement for the Marana Regional Airport is an assertion or image of the ideals of the airport in the future that helps to inspire and empower the organization's stakeholders. The vision statement is used to project the airport into the future and to visualize its ideal state.

The following identified areas are a compilation of the workshop input by the working group members of elements important to the Vision Statement:

What is the human value in the development of the Marana Regional Airport?

- Efficiency of time and location
- Home town feel
- The people who run and own businesses at the airport are the key to success
- Recognition by the community of the value of the regional airport
- A highly efficient airport and a productive tax base
- Ideal location to develop an airport related business
- Convenience to Interstate
- Privacy
- Employment

Identify what Marana Regional Airport and its customers and other stakeholders value the most about the organization:

- Development potential
- Location
- Tax base
- Ease of travel for air commerce and proximity to the interstate
- Employment in and around the airport
- Efficiency and low cost services for the airport users

What does success look like?

- More business to the airport
- Increase in corporate traffic
- Economic magnet
- Maintain a top-notch airport facility
- Sustainability
- Develop and maintain adequate infrastructure
- Connectivity
- Erasing local and regional borders
- Name recognition
- Create significant return on investment
- Aviation related Business Park and catalyst for the region

4.3.1 MARANA VISION STATEMENT

The vision statement are the organizational tenets upon which the vision for the future of the Marana Regional Airport is predicated. How is this interpreted and translated into a vision for the future of the Airport? What does this mean in terms of what the airport is expected to look like in 20 years? While the airport will continue to accommodate a broad spectrum of general aviation users, the airport will maintain its long-established primary focus on business aviation. Ideally, the Marana Regional Airport of the future will be an integral part of the Town of Marana, with a focus on public safety and consistent, high aesthetic standards for buildings, landscaping, and signage, and superior services. The team’s consensus was that when you are in Marana – be it at the Airport or anywhere else in Town – you will know you are in Marana; there will be a strong sense of place, supported by a welcoming culture.

The images and descriptions in this vision for the future of the Marana Regional Airport are mainly aspirational, examples of what could be done and not necessarily what will be done. In this context, it is important to understand how airport development projects are typically accomplished.

Marana Regional Airport is committed to becoming a regional hub of aviation business activity, economic development, and gateway to attractions of the Sonoran Desert.

4.4 CORE VALUES AND VALUE PROPOSITION

A values proposition statement communicates to the community, airport users, and all others, the values of the airport. Based on the workshop committee input and the outcomes of the Mission and Vision Statements, the following draft Value Proposition statement was proposed:

Marana Regional Airport core values are:

- Always maintain the highest level of safety;
- Encourage community involvement;
- Strive to provide professional and courteous service at all times;
- Aspire to build a progressive airport business climate by promoting investment and opportunities consistent with the nature of the community; and
- Value our environment and strive to maintain sustainable growth.

4.4.1 VALUE PROPOSITION

An organization’s value proposition is, after in-depth analysis, its proclamation of the benefits, costs, and value it believes it can deliver to its customers, prospective customers, and stakeholders within and outside the organization. The Town of Marana’s value proposition for Marana Regional Airport is to exemplify the general aviation industry’s “best business practices,” while maintaining consistency with the Town of Marana’s own “best product” value proposition emphasizing innovation and creativity. The Marana Regional Airport will provide services to its customers, prospective customers, and stakeholders that will be clearly recognized as of such quality that they will be willing to pay a premium

for those services, if necessary. Marana Regional Airport will not always be the lowest-price service provider, but it will provide services of such quality that customers will ask for it by name.

Thus, the Town's value proposition directive for the Marana Regional Airport is:

Become an industry-leading Reliever airport serving the needs of aviation commerce and general aviation by: Aspiring to build a progressive airport business climate by promoting investment and opportunities consistent with the nature of the community, and by always maintaining the highest level of safety, providing professional and courteous service always, being actively engaged with the community, valuing our environment, and striving to maintain sustainable growth.

4.6 MARANA REGIONAL AIRPORT FUTURE MISSION, VISION, AND VALUE

Generally, the airport sponsor builds, maintains, and improves common-use infrastructure: particularly the runway, taxiways, certain navigational aids, airfield lighting and guidance signs, and perimeter fencing and access controls, and general utilities including water and sewer. Whenever possible, the airport leverages its own capital investments with grant funding obtained from FAA, ADOT, and any other sources that may be available. The airport usually does not build hangar facilities or the associated aircraft parking ramps, shop and office spaces, and automobile parking areas. That type of development is customarily done using private funding, most often in the context of a ground lease agreement. This does not mean that the airport could not or would not ever participate in a hangar development project, but it would be a departure from the normal manner of airport development and it would presumably require a compelling reason to do so.

In some circumstances, the airport may partner with a private developer, improving common-use infrastructure to facilitate desirable private development. Another key consideration is that most airport development is market-driven: in the absence of sufficient demand for a particular project, there is little incentive to build, either for the airport or (especially) for a private developer seeking a return on an investment. On the other hand, not every project should be evaluated or executed based solely on the prospects of its financial return: if that were the case, we would have no public parks, aircraft viewing areas, or public art ... amenities of the type that have long been much valued by the Marana community. Different measures of value surely apply to these kinds of projects; return on investment is not the only measure of success.

Marana's ideal airport of the future would accommodate a wide, diverse variety of aviation users and uses. In addition to world-class fixed-base operator services, airport businesses would provide a comprehensive range of aviation products and services. The airport would provide high quality amenities for tenants, pilots, passengers, and visitors; it would be a pleasant place to work or visit, with a strong sense of community and a professional and friendly atmosphere. Stakeholders on the airport and in the surrounding community would take great pride in the airport. The airport and Town would coordinate to promote and take advantage of local attractions, amenities, and events, particularly Marana's special events and hospitality businesses. Marana Regional Airport and the Town of Marana would be the destination of choice for a wide spectrum of general aviation users.

The Marana Regional Airport of the future ideally would have an area designed to support and grow a community of aviation enthusiasts and aircraft owners. This area would feature new T-hangars and a

host of amenities including a self-service fueling installation, an aircraft washing facility, public tie-down spaces for visiting aircraft, an executive terminal with pilot weather and flight planning facilities, maintenance facilities, and perhaps aircraft viewing and special event areas for the public.

The Marana Regional Airport of the future would have a “front door” facility serving as the gateway from the airport to the community and from the community to the airport. This “front door” facility would be distinct, uniquely recognizable, emblematic of the Marana Regional Airport and reflective of Marana’s unique culture of creativity, leading-edge innovation, and outright fun. Additional branding elements to help define the Marana Regional Airport of the future would include way-finding signage and iconic structures that are distinct and instantly recognizable as “Marana.” The airport would also have elements that are attractive and accessible to the general public as well, such as public art, an aviation vintage aircraft museum, aircraft viewing areas with air traffic control radio feeds, and hospitality features such as an airport restaurant.

The Marana Regional Airport of the future may acquire adjacent properties to protect the airport, preserve or improve upon existing aeronautical uses, or to re-purpose underutilized and/or non-aviation use properties to productive aeronautical uses. The runway and existing taxiways will be maintained or improved to meet applicable safety standards, and accommodate more frequent use of larger aircraft. In some areas, taxiways may be re-aligned to improve the efficiency of land utilization. Utility infrastructure including water, sanitary sewer, and storm water drainage will be improved to meet codes and support redevelopment. Landside infrastructure including streets, sidewalks, lighting, and landscaping will meet or exceed the standards set by Marana’s building and zoning requirements, and there will be an emphasis on sustainability, including waste reduction and recycling programs.

The Marana Regional Airport of the future will have a strong business presence. It will be an engine for economic development not just for Marana, but for the entire northwest Tucson Metropolitan area, Pima and southern Pinal Counties. Marana Regional Airport will partner with the Town of Marana’s Economic Development Department to attract aviation-related business as well as mid-size corporations and regional headquarters of large corporations to Marana. The airport will also partner with the Economic Development Departments of neighboring communities to support their programs to attract, retain, and grow businesses.

The Marana Regional Airport will be the regional leader and model for best practices among general aviation airport’s, and will be an asset in which the community will take immense pride.

4.7 STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS (SWOT) ANALYSIS

The preceding chapters have presented an extensive amount of information about the Marana Regional Airport, its current markets, and the status of the aviation industry. While compilation of this type of data is critical to the ultimate success of any planning effort, the challenge for most business plans is how to take the information that has been gathered and use it most effectively. Due to the amount and diversity of data that has been gathered on the study area, a SWOT analysis has been conducted to strategically summarize the information.

Generally defined, a SWOT analysis is a standard strategic business planning tool used to identify the strengths, weaknesses, opportunities, and threats associated with a particular action or area. The SWOT analysis involves specifying an objective or an object (in this case the Airport) and identifying the

internal and external factors that are favorable and unfavorable for that object being successful in a given environment. For this planning study, the following sections summarize the SWOT analysis factors related to the Marana Regional Airport that provide the greatest indicators of the Airport's current condition.

On September 22, 2015, the SWOT process was initiated by gathering the Marana Regional Airport Strategic Business Plan Committee together to conduct one of the most important elements of the building of a strategic business plan – the SWOT workshop. This workshop provided a venue for the diverse committee to input their perspectives on the unique elements of the Marana Regional Airport and the future development of the strategic business plan.

The SWOT analysis workshop isolated and categorized actual and perceived strengths and weaknesses of the Airport and its organization from an internal perspective and opportunities and threats from an external perspective. As noted in the workshop:

- **Strengths** – internal items accomplished particularly well or unique assets of the Airport or the organization, especially in comparison to competitive and comparable airport's or organizations.

Strengths need to be preserved, built on, and leveraged.

- **Weaknesses** – internal items that: (1) are not accomplished particularly well; (2) hinder or prevent desired performance; or (3) are acutely lacking or need to be improved.

Weaknesses need to be addressed and remedied.

- **Opportunities** – external items that could help realize the mission and vision for the Airport. Opportunities may be identified by studying changes or trends within the industry, the marketplace, or the community.

Opportunities need to be seized or capitalized on.

- **Threats** – external items that could threaten the realization of the Airport's mission and vision. Threats are typically identified by studying changes or trends within the industry and the local marketplace.

Threats need to be managed or, if possible, eliminated.

The following report is a collection of the worksheets used in the SWOT workshop and the correlated requests. This report is not a final document. There will be continuing input from the Committee, airport management, and Town of Marana leadership for additional goals and final prioritization of those goals.



Exhibit 4 1 – Marana Regional Airport SWOT Analysis

Strengths

- Good Weather
- Proximity to Interstate 10 (Access)
- Business Friendly
- Room for Expansion
- Strong Leadership
- Location - Northwest Tucson Area
- Segmentation of Airfield and Facilities
- Natural Barriers
- Resort Attractions
- Convenience
- VIP Specialty Services
- Community Support
- Runway Pavement Strength
- Web Site
- Flight Training Potential

Weaknesses

- Low Public Awareness
- Insufficient Airfield Maintenance and Operations Budget
- No Air Traffic Control
- No Scheduled Public Transportation
- Aging Infrastructure
- No Organized Marketing Efforts
- RPZ Not Owned by the Airport
- Inadequate Fuel Storage
- Under-developed Utility infrastructure
- Poor Cell Phone Reception
- Airport in the Floodplain
- Pavement Weakness: ramps, aprons, and taxiways
- Lack of Adequate Wastewater Facilities

Opportunities

- Avoid Mistakes of Others (Not Planning for Growth, Land Use, Zoning, and Compatibility)
- Increase Corporate Traffic
- New Terminal and Development Space
- Business/Industrial Park
- More Focused Advertising
- More Awareness through NBAA
- Pima Community College Collaboration
- Acquiring State Land (Within and Outside the Fence)
- Specialized Commercial Service
- Air Freight
- Charter Service
- Hangar/Aviation Storage
- Land Development
- Increased Grant Funding (FAA and ADOT)
- International Air Services
- Current Favorable Airport Fee Structure
- Potential to Centralize Facilities

Threats

- Tucson Airport Authority GA Strategic Plan
- Security
- No Air Traffic Control Tower
- No Aircraft Rescue and Fire Fighting Facilities
- Current Limited Maintenance Funding
- Limited Staff
- Conflicting Business Approaches
- Mix of Air Traffic
- Rising Costs
- Waning General Aviation Interest
- Pinal Airpark Competition

4.8 GOAL PREPARATION USING SWOT

The findings of the SWOT analysis served as the basis for the development of goals that realize the mission and vision for the airport. The following matrix is a summary of the working documents. It was utilized to facilitate establishing goals for the airport. The findings of the SWOT analysis used for goal setting are summarized and incorporated into this matrix (**Exhibit 4.2**).

Exhibit 4.2 – Marana Regional Airport (AVQ) SWOT Matrix

Internal	Strengths (S)	Weaknesses (W)
	External	S1 Have Acreage and Physical Improvements for Growth
S2 Proximity to Interstate Business Friendly Catchment		W2 No Air Traffic Control Tower
S3 Funding Sources		W3
S4 Strong Leadership		W4
S6 AVQ – Land Availability		W5
S7 Room for Expansion		W8
Opportunities (O)	SO Goals <i>(that leverage strengths to take advantage of opportunities)</i> Quadrant One	WO Goals <i>(address weaknesses & take advantage of opportunities)</i> Quadrant Two
O1 New Facilities	1. Build New Facilities/Terminal	
O2 Existing Charter Business	2. Expand and Develop Specialty Commercial Services such as Air Taxi and Charter Services	
O3 Infrastructure & Runway Strength	3. Improve Infrastructure by Capturing Funding Sources	
O4 Funding Opportunities Available for Airport Projects	4. Improve Relationship with FAA and Other Funding sources	
O5 Strong Support from Town, Economic Development Dept., and Chamber of Commerce		5. Develop Marketing Plan
Threats (T)	ST Goals <i>(that leverage strengths to manage/avoid threats)</i> Quadrant Three	WT Goals <i>(that address weaknesses to manage/avoid threats)</i> Quadrant Four
T6 Shrinking GA Market	6. Attract Additional Flight Training Business	8 Joint Air Traffic Control Tower with Pinal Air Park
T7 Pinal Air Park Proximity to AVQ	7. Pursue Markets that will Differentiate AVQ	
T8 Conflicting Airspace, Pinal County Airport		

Source: Airport Corporate Research, Report 77, sponsored by the Federal Aviation Administration. Library of Congress Control Number 2012948352 © 2012 National Academy of Sciences.

4.8.1 SMART MODEL GOALS EVALUATION¹¹

A SMART Model worksheet was developed and applied to each of the eight Goals identified by the Technical Committee and Airport Management to assist the planning team with evaluating these goals and assuring that each met the SMART criteria:

- **Specific** – Is each goal simply stated, straightforward, and compelling?
- **Measurable** – Is each goal tangible, able to be tracked, and identifiable when a final solution has been reached?
- **Attainable** – Is each goal possible to accomplish without being too burdensome? Is it reasonable?
- **Relevant** – Is the accomplishment of each goal relevant and meaningful to the Airport? Does it tie in with the Airport’s core values and general mission?
- **Time Bound** – Does each goal have a beginning and end point? Is it identified with a viable time frame for accomplishment?

After general discussion of the identified goals, and reaching an agreement that each stated goal satisfied the SMART Model criteria, it was time to move on and apply the detailed analysis of the GROW Model to each of those goals.

4.8.2 GROW MODEL GOALS EVALUATION¹²

The GROW Model worksheet was designed to help the planning team refine the stated goals using the **Goal, Reality, Options, Will** model. The planning team chose to apply the GROW Model to each of the stated goals. Generally stated, each element of the GROW Model is described as follows:

- **Goal** – A goal is a statement of a desired result, outcome, or level of attainment that needs to be reached to realize the mission and vision for the airport. All goals need to be SMART goals.
- **Reality** – This component focuses on the current state of the airport. It includes an assessment of the current reality of the situation at the airport, the magnitude of the work that needs to be accomplished, and the people who need to do the work.
- **Options** – This component focuses on identifying the various ways to achieve a specific goal. An analysis of the alternatives and the issues, challenges, problems, and risks associated with each option can be used to help identify the most appropriate alternative.

¹¹ Airport Corporative Research, Report 77, sponsored by the Federal Aviation Administration. Library of Congress Control Number 2012948352 © 2012 National Academy of Sciences.

¹² Airport Corporative Research, Report 77, sponsored by the Federal Aviation Administration. Library of Congress Control Number 2012948352 © 2012 National Academy of Sciences.

- **Will** – This component focuses on determining whether or not the resources will be available and the people will be ready, willing, and able to perform the tasks necessary to achieve the goal. There is a subjective element to this decision as Airport Director’s and policymakers will need to assess the readiness, willingness, and ability of others to make and keep a commitment to achieve the goal.

Each of the eight identified goals were subjected to the detailed analysis of the GROW Model, and specific information and requirements for each were applied and analyzed. Each of the GROW worksheets are contained in **Appendix B**.

After the GROW Model evaluations of the stated goals were complete, it was determined that the majority of the Airport’s goals centered around the development and implementation of a Marketing Plan, and related marketing and development efforts for specialty areas of the airport. Of equal priority were facility goals to improve the Airport’s infrastructure, Air Traffic Control, and a future new terminal building.

Utilizing the SMART and GROW models, the Marana Regional Airport has identified eight primary goals for its Airport Strategic Business Plan. Since many of the goals are related, such as those tied to future marketing efforts, several goals may be pursued simultaneously, depending on the availability of resources to do so.

4.9 PRIORITIZED GOALS

Prioritizing the Airport’s goals requires the careful consideration of several factors. Which of the goals do you need the most, and how quickly do you need them? Consideration must be given to the cost of acquiring each goal. Can the Town afford a goal now, or should it be moved down in priority when required funds may be more available? Which goals are the most essential to future airport development, and should they be moved up in priority?

Even though goals have been prioritized, in practice, it may be necessary to pursue more than one goal at a time, or in parallel with each other. An example of goals that should be pursued in parallel might be: develop a new marketing plan and identify new funding opportunities for infrastructure improvements. In the case of Marana Regional Airport, an immediate need to market the airport to new business opportunities exists now. However, the airport’s infrastructure does not currently meet the requirements that new business is likely to bring. Thus, both goals need to be pursued simultaneously.

After the eight initial goals for the Marana Regional Airport were selected, the Airport established a priority ranking based on considerations of need, cost, and the ability to accomplish each in a timely manner. The results of that prioritization are shown in **Exhibit 4.3**.

Exhibit 4.3 – Marana Regional Airport Prioritized Goal

Priority	Goals
1	Goal: Develop new comprehensive marketing plan for the Marana Regional Airport. Justification: This goal is necessary to the identification and recruiting of new future business and operators for the airport.
2	Goal: Improve working and political relationships with Federal, State, and Local funding agencies. Justification: Building a positive image of the Marana Regional Airport and the Town Marana by maintaining the high standards of conduct and fiscal responsibility in order to facilitate greater opportunities for future traditional funding will improve working relationships.
3	Goal: Identify new funding opportunities for infrastructure improvements. Justification: Traditional Federal and State funding sources as utilized in past years are insufficient to meet the timing of future required infrastructure development. Additional sources of funds must be developed.
4	Goal: Attract additional flight training operators and traffic to the Airport. Justification: Additional flight training activities will increase utilization and related aeronautical services.
5	Goal: Pursue new joint Air Traffic Control Tower for the Marana Regional Airport and Pinal Airpark, or single tower for AVQ if joint tower not possible. Justification: Potential conflicts exist between the Marana Regional Airport and Pinal Airpark traffic patterns that require coordination for safety.
6	Goal: Pursue Markets That Differentiate AVQ. Justification: This priority is intended to highlight the advantages of doing business at AVQ, and will provide a distinctive identity for AVQ.
7	Goal: Build new AVQ Terminal Facilities. Justification: This priority is based on the need to develop new or expanded FBO and passenger terminal facilities to accommodate future increases in executive traffic and passengers.
8	Goal: Attract new specialty air service providers to the Marana Regional Airport. Justification: This goal speaks to continued efforts to attract commercial air service in the form of air charter and air taxi services to Marana, to augment commercial air access to the area.

4.10 COMMUNITY STAKEHOLDER INTERVIEWS

To gain insight into the daily challenges and direction of stakeholders associated with the Marana Regional Airport, a number of interviews were conducted with airport tenants and government officials to determine the primary issues facing successful airport development today. Those interviewed were encouraged to discuss historical issues they had encountered with the Airport, as well as future needs and opportunities where association with the Airport would be beneficial to future growth.

The Town of Marana already has its own Mission, Vision and Values Statements, and a well-structured General Plan to guide its future operations and development. In similar fashion, each of the Town’s Department Heads that were interviewed for this study had a well-defined structure of responsibility within that plan. It was noted during these interviews that the individual departments within the Town’s structure interfaced and communicated well with the other Town departments, and the airport.

Interviews of local government (Town of Marana) officials specifically included the Deputy Town Manager, the Economic Development Director, the Director of Tourism, and the Airport Director. On the non-government side, the Airport’s primary tenant, Mr. Gary Abrams, was interviewed at length. Mr. Abrams has been a long-term tenant on the airport for many years, is cognizant of its development history, and occupies the bulk of the available leasehold property available on the airport.

Each of the individuals interviewed for this study were asked to speak to the subject matters most relevant to their current and future operations, and their relationship to future airport development. A synopsis of each interview follows in **Exhibit 4.4**. Full interview descriptions are contained in **Appendix A**.

Exhibit 4.4 – Stakeholder Interviews

<p>1. Mr. Steve Miller – Airport Director, Marana Regional Airport</p>
<p>Mr. Steve Miller is the Airport Director of Marana Regional Airport, and is responsible for the day-to-day operation and management of the facility. Miller discussed a variety of airport related topics including current operating and business issues, leasing agreements and terms, Capital Improvement Programs, future capital programs necessary to development, and strategic business goals and objectives to guide the airport into the future.</p>
<p>2. Ms. Toby Parks - Tourism and Marketing Director, Town of Marana</p>
<p>Ms. Toby Parks is the Director of the Marana Tourism and Marketing office, responsible for developing and monitoring programs associated with attracting and promoting tourism and tourism related industries to the region. Discussions centered on target markets, and development strategies for continued tourist development, and the importance of the Marana Regional Airport’s role to those markets.</p>
<p>3. Mr. Curt Woody - Director Economic Development & Tourism Department, Town of Marana</p>
<p>The Department of Economic Development and Tourism is responsible for identifying and forging partnerships with key stakeholders across multiple disciplines to attract and retain businesses from diverse industries that complement community’s assets and lead to sustainable and long-term economic health for Marana and Southwest Arizona. Discussions centered on identification of target markets and incentives for economic development, the role of the airport, compatible land uses, and future marketing scenarios.</p>
<p>4. Mr. Jamsheed Mehta - Deputy Town Manager, Town of Marana</p>
<p>Mr. Jamsheed Mehta is the Deputy Town Manager for the Town of Marana, and is responsible for the coordination and oversight of a number of the Town departments, including the Marana Regional Airport. Mr. Mehta addressed a number of questions and issues pertaining to the Town’s role in the future development and operation of the Marana Regional Airport. Discussions focused on airport forecasts and developmental issues, implementation of the Business Plan and future Marketing Plan, major funding and financial requirements, and appropriate future development around the airport.</p>
<p>5. Mr. Gary Abrams - CEO and President, Abrams Airborne Manufacturing</p>
<p>Mr. Gary Abrams is the CEO and President of Abrams Airborne Manufacturing and the largest single tenant on the Marana Regional Airport. He currently holds leases on the airport for Pima Aviation and Tucson Aeroservice Center, and provides FBO, terminal, hangar, and maintenance center services. Other service providers on the airport operate under a sub-lease agreement with Abrams as well. Discussions focused on the major operating and infrastructure challenges to the FBO and other tenants operating at the Marana Regional Airport. Other topics included future development opportunities both on, and immediately adjacent to, the Marana Regional Airport.</p>
<p>6. Mr. Jamie Brown, Chris Blue, and Patrick Hartley - Pima Association of Governments (PAG)</p>
<p>Mr. Jamie Brown, Mr. Chris Blue, and Mr. Patrick Hartley all represent the Pima Association of Governments (PAG). PAG is a metropolitan planning organization tasked with Transportation Planning, Sustainable Environment Planning, and Technical Services divisions that coordinate cross-jurisdictional planning efforts with PAG members. Topics of discussion included the latest Long Range Transportation Plan currently out for public review, and PAG’s role among the various Pima County governments that they represent.</p>
<p>Note. Full interview dialogues are contained in Appendix A</p>

CHAPTER 5

Chapter 5 – Regional and Local Economic Factors

5.1 INTRODUCTION

This Chapter focuses on economic regional market factors and drivers, current business functions at AVQ, and infrastructure conditions that will be a factor in future growth. To establish a current economic picture of the area, historical economic data for Pima County will be evaluated along with future economic forecasts, and other pertinent data from the region. Much of this source information has been drawn from various economic and development research resources conducted in the study area.

Pinal County is located immediately to the north of Pima County, and most of the land areas adjacent to their common boundary is rural and open desert terrain. However, the Pinal Airpark is located on the immediate southern border of Pinal County, and immediately north of the Marana Regional Airport. Some interaction between the two airport's occurs on various occasions, and much of the same airspace is shared between the two facilities for landing and departing aircraft. It is assumed that most of the economic data that may affect Pima County from Pinal County facilities is accounted for in the greater Tucson Metropolitan Statistical Area data.



Exhibit 5.1 – Location of Pima and Pinal Counties in Southern Arizona

5.2 PIMA COUNTY

5.2.1 POPULATION

Pima County is in southern Arizona. The county has a total land area of 9,213 square miles, making it the sixth largest county in Arizona. Pima County shares a border with the Mexican state of Sonora. As of the 2010 census, Tucson is the largest city, with a population of 520,116.

The population figures presented here are from the Office of Employment and Population Statistics, Arizona Department of Administration (ADOA) and differ from official Census population estimates. Economic Business Research Center (EBRC) considers the ADOA estimates to be more accurate. All population counts are mid-year July 1st estimates.¹³

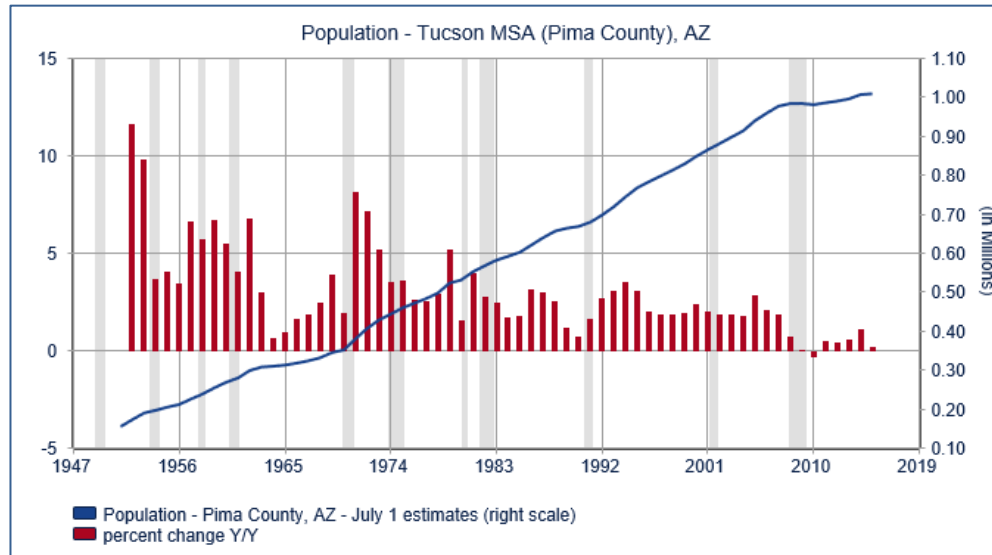


Exhibit 5.2¹⁴ – Population - Tucson MSA (Pima County), AZ

Pima County Population Centers ¹⁵					
Population - Pima County, AZ	2011	2012	2013	2014	2015
<i>Employment and Population Statistics, Arizona Department of Administration</i>					
Total Population (July 1st Estimates)	986,081	990,380	996,046	1,007,162	1,009,371
% Chg from Year Ago	0.5%	0.44%	0.57%	1.12%	0.22%
Marana	35,858	36,957	38,610	40,342	41,655
Oro Valley	41,153	41,275	41,668	42,190	43,499
Sahuarita	25,645	26,121	26,768	27,476	27,637
South Tucson	5,653	5,675	5,674	5,751	5,712
City of Tucson	522,815	523,471	525,154	529,336	529,845
Unincorporated	354,957	356,881	358,172	362,067	361,023

Exhibit 5.3¹⁵ – Pima County Population Centers

As shown in the above **Exhibits 5.2** and **5.3**, population growth in Pima County has averaged a consistent .5% growth rate for most years, except for 2014 where a 1.12% jump in population growth

¹³ Office of Employment and Population Statistics, Arizona Department of Administration (ADOA)

¹⁴ Source: Arizona Eller Economic and Business Research Center - <https://ebr.eller.arizona.edu/current-indicators/arizona-counties/pima-county>

¹⁵ Source: Arizona Eller Economic and Business Research Center - <https://ebr.eller.arizona.edu/current-indicators/arizona-counties/pima-county>

was indicted. The Town of Marana has closely followed suite with the rest of the County growing by an average of .3% to .4% in most years.

5.2.2 PIMA COUNTY EMPLOYMENT

For the most part Pima County has enjoyed a consistent pattern of growth for over sixty years, slowly changing from an agricultural community to the diverse residential, commercial, and industrial mix that exists today. As show in **Exhibit 5.4**, general non-farm employment in Pima County has climbed steadily over the years, peaking in 2008 when a general economic downturn hit the nation. After several years of reduced growth, employment indicators have begun to rise again, approaching pre-2008 employment numbers.

The business and industrial base in Marana includes numerous transportation and logistics firms that take advantage of the Town’s location along the Interstate 10 corridor, the Union Pacific Railroad, and local airport services both in Marana and Tucson. The aerospace, aviation services, and defense industries also have a strong presence in the Marana area, and the community has also continued to add jobs in the retail, commercial, educational, tourism, and outdoor recreational arenas, and a noticeable increase in “high-end” destination resort growth.

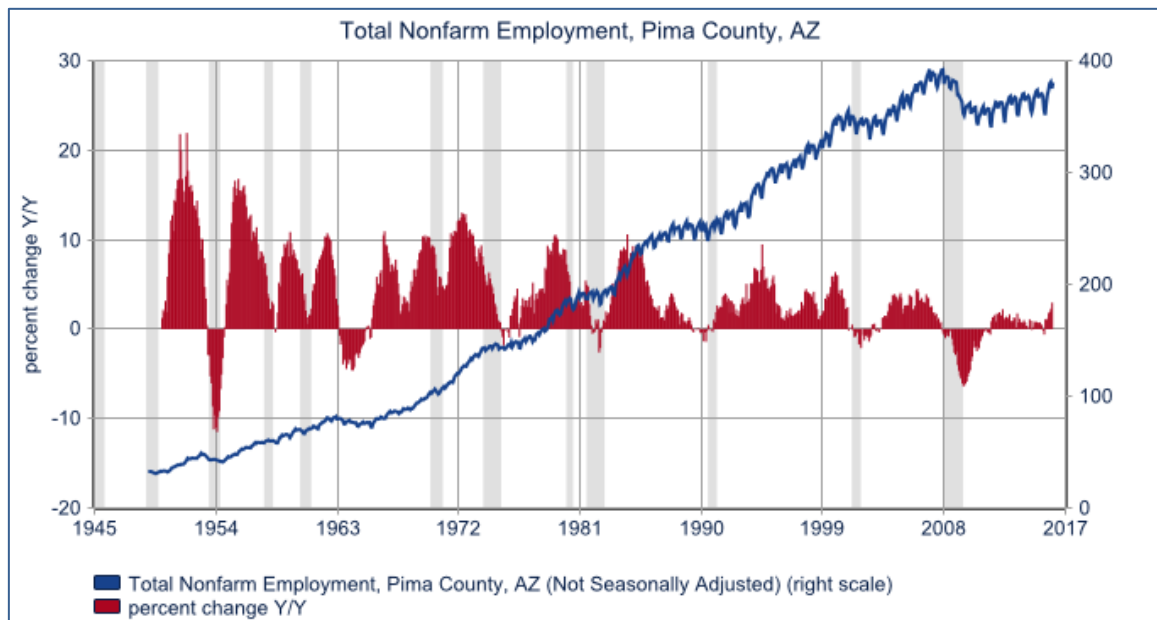


Exhibit 5.4¹⁶ – Total Nonfarm Employment, Pima County, AZ

¹⁶ Source: Arizona Eller Economic and Business Research Center - <https://ebr.eller.arizona.edu/current-indicators/arizona-counties/pima-county>

Pima County Employment Statistics					
Employment - Pima County, AZ (not seasonally adjusted)	Oct 2015	Nov 2015	Dec 2015	Jan 2016	Feb 2016
<i>Current Employment Statistics, Bureau of Labor Statistics</i>					
Total Nonfarm Employment	373.6	379.4	380.9	375.1	380.4
% Chg from Year Ago	1.16%	1.8%	1.95%	2.29%	2.95%
Total Private	294.0	298.8	300.4	296.4	300.0
% Chg from Year Ago	1.38%	2.01%	2.0%	2.53%	3.31%
Goods Producing	39.7	39.9	39.7	39.0	39.7
% Chg from Year Ago	-0.25%	1.27%	1.02%	0.78%	2.32%
Service Providing	333.9	339.5	341.2	336.1	340.7
% Chg from Year Ago	1.34%	1.86%	2.06%	2.47%	3.02%
Trade, Transportation, and Utilities	61.1	63.0	63.3	60.6	60.4
Other Services	12.9	12.7	12.7	12.4	12.6
Government	79.6	80.6	80.5	78.7	80.4
% Chg from Year Ago	0.38%	1.0%	1.77%	1.42%	1.64%
Federal	12.5	12.6	12.6	12.5	12.6
State and Local	67.1	68.0	67.9	66.2	67.8

Exhibit 5.5¹⁷ – Pima County Employment Statistics

5.2.3 PIMA COUNTY PERSONAL INCOME

Personal income is another major indicator of community economic health, and Pima County has shown a steady increase in general personal income over past years. Here again, trends reflect the general economic downturn in the nation in 2008 and 2009 when personal income lost ground, but modest growth has continued again in recent years at an average rate of approximately 3% annually.

All data presented here are from the Bureau of Economic Analysis (BEA), Table CA 30, except for per capita personal income and per capita net earnings. EBRC calculates these two series using population estimates from the Arizona Office of Employment and Population Statistics, as opposed to using the official Census Bureau estimates used by BEA.

¹⁷ Source: Arizona Eller Economic and Business Research Center - <https://ebr.eller.arizona.edu/current-indicators/arizona-counties/pima-county>

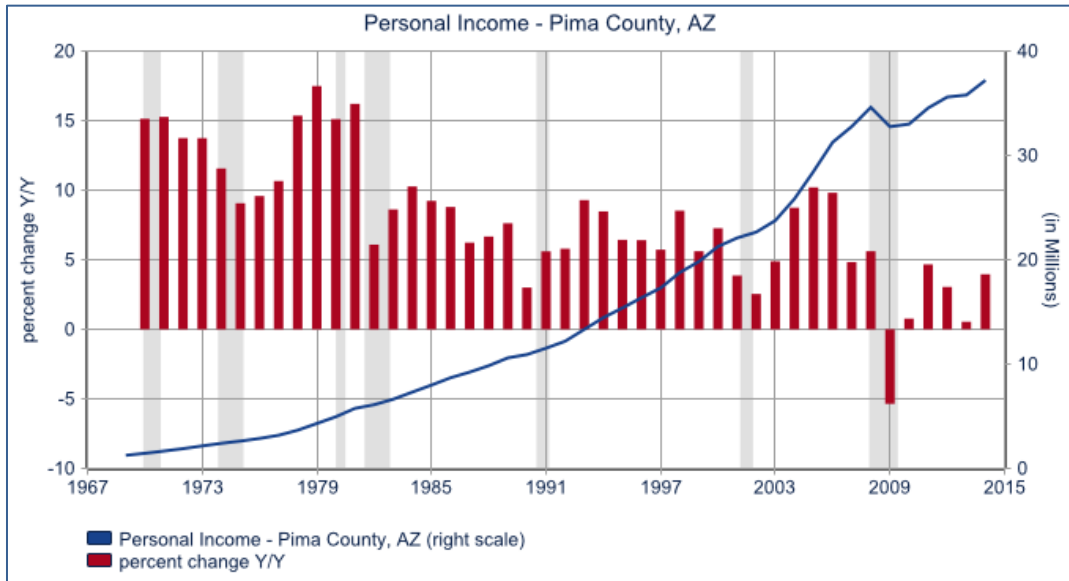


Exhibit 5.6¹⁸ – Personal Income – Pima County, AZ

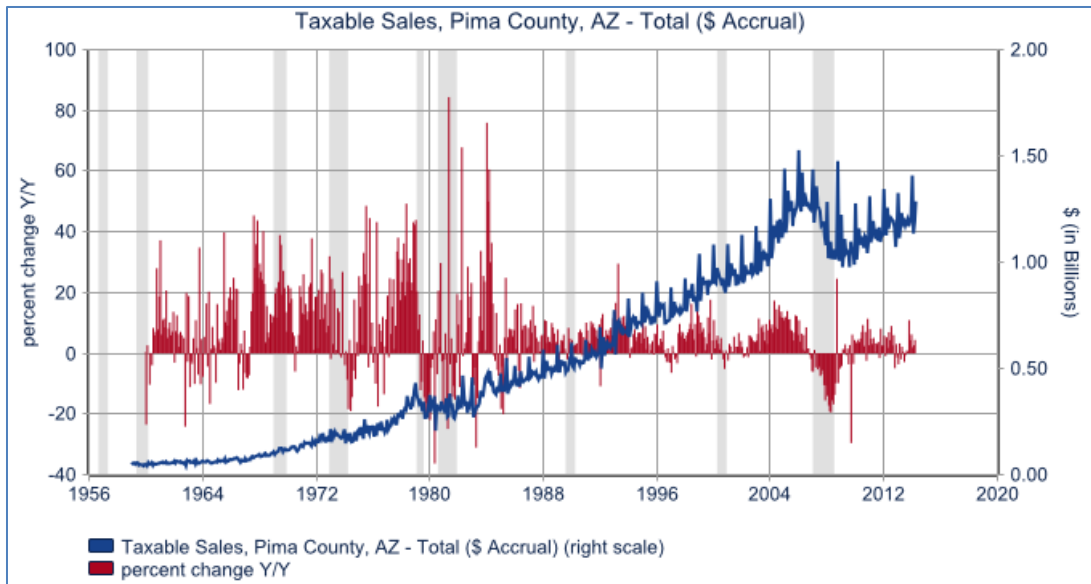
5.2.4 PIMA COUNTY TAXABLE SALES

Taxable sales on good and services indicate the availability of disposable income in the community, and general indications of where and how those dollars are being spent. Pima County tax records indicate that the area has enjoyed a steadily climb in County taxable sales since the mid 1960’s with three notable exceptions. National economic downturns in the mid 70’s and again in the early 80’s, followed by a period of recession, caused a general reduction in average taxable sales in Pima County. Again in the 2008 and 2009-time frame, the nation suffered a serious downturn followed by a period of slow economic growth that still persists today.

Current trends indicate that the Pima County economy continues to achieve a slow recovery on the order of approximately 3% annually, and has almost returned to pre-2008 levels of approximately 1.5 billion dollars in annual taxable sales. These trends are expected to continue into the near future, and continued economic development efforts may increase growth rates in the near term.

¹⁸ Source: Arizona Eller Economic and Business Research Center - <https://ebr.eller.arizona.edu/current-indicators/arizona-counties/pima-county>

Exhibit 5.7¹⁹ – Taxable Sales, Pima County, AZ – Total (\$ Accrual)



Taxable Sales - Pima County, AZ	Aug 2015	Sep 2015	Oct 2015	Nov 2015	Dec 2015	Jan 2016
<i>Sales (\$, accrual), Arizona Department of Revenue</i>						
Total*	NA	NA	NA	NA	NA	NA
% Chg from Year Ago						
Total Contracting	NA	NA	NA	NA	NA	NA
Amusements	6,090,356	6,371,016	8,566,549	9,352,558	9,507,614	9,224,196
Hotel/Motel	19,161,217	21,516,073	28,392,382	28,280,497	22,826,492	29,696,599
Communications	NA	NA	NA	NA	NA	NA
Utilities	NA	NA	NA	NA	NA	NA
Printing	NA	NA	NA	NA	NA	NA
Publishing	NA	NA	NA	NA	NA	NA
Rentals Personal Property	NA	NA	NA	NA	NA	NA
Use Tax	NA	NA	NA	NA	NA	NA
Mining, Oil, & Gas Production	NA	NA	NA	NA	NA	NA
Gasoline	92,021,792	78,080,019	73,372,641	67,225,225	65,247,379	
Retail Sales	678,016,323	656,946,207	670,404,682	726,434,862	896,617,770	644,437,577
Food	155.3212	155.6177	155.9293	156.256	156.5979	157.2469
Restaurants & Bars	135,645,731	132,329,417	146,948,285	142,148,211	143,904,752	153,445,115
Pima Gasoline Sales (gallons, accrual)	33,682,940	32,211,229	33,230,363	32,088,413	33,255,545	
*This figure is the total for sales covered by the Transaction Privileged Tax as reported by the Arizona Department of Revenue. This figure does not include food or gasoline sales.						

¹⁹ Source: Arizona Eller Economic and Business Research Center - <https://ebr.eller.arizona.edu/current-indicators/arizona-counties/pima-county>

An evaluation of these current and historical economic indicators for Pima County indicates an overall stable and growing environment. The newness of the Town of Marana and its immediate area development tends to show an even higher percentage of growth potential than the County. However, the Town of Marana, and Pima County are not immune to the influences of the State and National economies of course, and as national downturns have occurred, they have been reflected in the local economies as well.

5.3 MARKET DRIVERS FOR THE TOWN OF MARANA

Historically the Town of Marana has already seen a major shift from what was primarily an agricultural community to an expanded economic base that includes a diverse array of retail, commercial, light industrial, logistical, educational, and tourism based industries. Some of these economic categories have developed naturally as an extension of existing businesses or industries in the greater Tucson MSA. Others have developed because of special opportunities that exist in Marana centering around the resort, tourism, transportation, and logistics industries. As we examine the existing economic environment of Marana, it becomes apparent that several factors and programs serve as economic drivers today. Some of the major economic drivers are listed below:

5.3.1 INCREASING POPULATION

Increasing population is major market driver, and the Town of Marana appears to be growing in population at well over twice the rate of the rest of Pima County. Marana's population grew at a rate of approximately 4.5% in 2014, and approximately 3.5% in 2015. By comparison, the rest of the Pima County population only grew by approximately 1.12% in 2014, and only .22% in 2015. More people of course raises the demand for more goods and services, more jobs, and in general infuses the local economy with more dollars to support local business and industry. Marana's inviting climate, positive economic environment, and upscale quality of life provides a welcoming invitation to retirees, professionals, and technical service workers and their families alike. The highly qualified and skilled population of Marana not only contributes monetarily to the businesses and industries of the local economy, they also provide the required skills and labor to keep those entities operating, viable, and growing.

5.3.2 MULTI-MODAL TRANSPORTATION OPPORTUNITIES

Multi-modal transportation opportunities are also major market drivers for the Marana area. The ability to move people, goods, and services efficiently through Marana are key components in the logistics, tourism, resort, and manufacturing industries of the area. An added benefit The Town of Marana has is its location near Interstate 10, which offers efficient access for major automobile and truck transportation connections to both the greater Tucson and Phoenix areas and connections beyond to the nationwide interstate system. The interstate represents the largest inter-modal economic benefit to the Town now. For agricultural and industrial users, Marana also has access to the Union Pacific Railroad, which in turn provides access to the nationwide rail system, and the ability to transport a wide variety of bulk and heavy agricultural and industrial products in and out of the area.

The second element of the Town of Marana's inter-modal structure is the Marana Regional Airport. Currently the airport provides general aviation and limited commercial charter or air taxi access directly into the Town of Marana. Other airport's in the region also provide air access into the area such as

Pinal Airpark, Ryan Airfield, and Tucson International Airport, but none are in better proximity to the area's attractions than Marana Regional. The convenience and utility of this airport becomes the all-important factor when visitors to the area's high end resorts, or commercial industries consider the most effective travel mode to their destination. Additionally, future plans to improve the capability and service levels of the Marana Regional Airport figure prominently in the Town's ability to expand and promote future resort, tourism, and business development opportunities.

5.3.3 TOURISM AND RESORT DEVELOPMENT

Tourism and resort development are quickly becoming major elements in the overall Marana economic picture. Area resorts like the Ritz Carlton and the Miraval Resort and Spa have increasingly become destinations of choice for high-end corporate and business customers. Many of these high-end customers are also responsible for bringing substantial numbers of large corporate aircraft to the Marana Regional Airport and increasing revenues from the sales of airport services, such as jet fuel. Additionally, the Town of Marana Director of Tourism actively promotes the many area attractions and events of the community, and the community has benefited from increasing tourism numbers in recent years.

5.3.4 INDUSTRIAL AND BUSINESS DEVELOPMENT INCENTIVES

Industrial and business development incentives are actively pursued by both the Town of Marana, Pima County, and other economic development entities such as Sun Corridor. Local industrial development incentives include:

- *The Marana Job Creation Incentive Program (MJCIP)* is a local incentive offered by the Town of Marana that helps businesses to locate or expand in Marana by receiving reimbursement from reallocation of construction sales tax on new construction or expansion projects - according to specific employer qualifications.
- *The Expedited Development Review Incentive Program (EDRIP)* is a local incentive offered by the Town of Marana that is aimed at creating sustainable commerce in Marana through encouragement of new business attraction, as well as current business retention and expansion.
- *The Downtown Marana Reinvestment Fund (DMRF)* is a local incentive offered by the Town of Marana with the goal of stimulating development of the designated Downtown District. The program reallocates construction sales tax revenues and general sales tax revenues from new projects and businesses downtown to pay for beautification and infrastructure to attract more development in this district.

Pima County and the State of Arizona have additional business and industrial incentives that can be exploited for appropriate opportunities. All such programs add incentive to the potential of market development and help drive the general market to new heights.

5.3.5 EDUCATIONAL INSTITUTIONS

Education institutions play a large role in developing the Marana market, offering quality education for children of residents, and contributing to the local quality of life. The Marana Unified School District (MUSD) boasts an excellent K-12 school program, and in recent years when the State of Arizona spent an average of \$7,500 dollars annually on each student in the public school system, the MUSD spent \$9,357 per student over that same time period. Also included are institutions like the University of Arizona Medication Management Center and Pima Community College, which provide specialized educational opportunities for a broad variety of disciplines.

5.3.6 QUALITY OF LIFE FACTORS

General quality of life factors also plays a major role in attracting people and businesses to Marana, which in turn pushes the market forward. The Town hosts a wide variety of quality housing and family neighbors, at prices that are in-line with the national norms. Crime rates are relatively low, unemployment is in-line or lower than State averages, and the community offers a wide variety of commercial and retail services not often found in other communities of similar size. The overall environment of Marana indicates that it is a clean and safe place to live, work, raise families, and pursue reasonable employment opportunities.

5.4 MARANA REGIONAL AIRPORT MARKET DRIVERS

All of the economic factors that influence markets in the Town of Marana and Pima County also influence the activity levels at the Marana Regional Airport (the Airport). As new businesses are developed in the Town, and as tourism and special event visitors increase, a certain percentage of those new activities will utilize the services of the Airport in some fashion. Some businesses, such as high-end resort attractions, already have a larger impact on the Airport than others, as those patrons may be more likely to arrive in large corporate jets rather than by automobile. Furthermore, as the Airport grows in popularity as a destination for regional flight schools and aviation patrons that need to access special services such as aircraft restoration, the market will expand as well.

Most of the economic activities in the area contribute to the slow but reasonably steady growth of the Airport. However, some of the newer economic factors, such as the increased attraction of high-end visitors to local resorts and tourism, have the potential to dramatically impact the operations of the Airport in the near term. As stated above, many of these visitors are already responsible for the increase in the number and frequency of large corporate jets utilizing the airport, with a corresponding increase in demand for associated services. These aircraft often exceed the design weight for many of the Airport's surfaces, and thus the Airport may require future investment to upgrade its infrastructure and systems to accommodate this new demand.

As Marana Regional Airport and the community move forward to accommodate this changing marketplace, it is appropriate to understand the Airport's current capabilities and analyze the potential impacts of forecasted future demand. This "demand and capacity" evaluation will help define the measures necessary to effectively carry the Airport into the future and accommodate the demand of the its future marketplace.

5.5 MARANA REGIONAL AIRPORT DEMAND AND CAPACITY ANALYSIS

As the Town of Marana and the surrounding communities move forward, and the demands for business and services continue to climb, it is important to take stock of the community’s utilities and resources and gauge their capabilities to accommodate future demand.

In the case of the Marana Regional Airport, how quickly the airport can move to accommodate future demand will be critical to future transportation and development opportunities for businesses relying on local aviation services and access. It is important to understand where the Airport stands now and in the future, in terms of capacity, or its ability to handle the demands of future air traffic.

The airfield capacity analysis is determined by using an airport’s annual service volume (ASV). An airport’s ASV has been defined by the FAA as “a reasonable estimate of an airport’s annual capacity. It accounts for differences in runway use, aircraft mix, weather conditions, etc., that would be encountered over a year’s time.” ASV is a function of the hourly capacity of the airfield and the annual, daily, and hourly demands placed upon it. According to FAA Advisory Circular (AC) 150/5060-5, *Airport Capacity and Delay*, the ASV for an airfield configuration similar to Marana Regional Airport (a single primary runway with a crosswind runway configuration) is approximately 230,000 operations.

Based on the 80,000 existing aircraft operations (landings and takeoffs) and the 230,000 ASV per AC 150/5060-5, Marana Regional Airport’s current airfield capacity is 35 percent. By 2035, the capacity is estimated at approximately 49 percent using the forecasted annual operations for 2035 and the same 230,000 ASV (per the Airport’s airfield configuration). For most airports, once this ratio reaches around 75 percent, a need to start planning for additional airfield components (such as runways) becomes apparent. It is evident that airfield capacity will not be a constraining factor to growth of the Airport. No additional runways are needed (from a capacity perspective) to accommodate the existing or forecasted activity. Exhibit 5.8 summarizes the ASV and airfield capacity relationship.

Year	Annual Operations	Annual Service Volume	Annual Capacity Ratio
2015	80,000	230,000	35%
2020	94,572	230,000	41%
2025	100,899	230,000	44%
2030	106,893	230,000	46%
2035	112,877	230,000	49%

Note: FAA AC 150/5060-5, Airport Capacity and Delay data
Source: Armstrong Consultants, Inc., 2016

Exhibit 5.8²⁰ – Airfield Capacity Analysis Summary

The ASV data shown above would initially indicate that the Marana Regional Airport could expect to accommodate future growth over the forecast period without any capacity constraints. However, in this case, these calculations do not tell the entire story.

²⁰ 2016 Marana Regional Airport Master Plan Update – ASV calculations.

The existing ASV calculations are taken from the Marana Regional Airport Master Plan Update (2016), and are predicated on the historical and existing mix of general aviation (GA) aircraft consisting primarily of smaller aircraft weighing under 12,500 pounds. Most of the supporting infrastructure including the taxiways, and apron areas are comprised of older asphalt surfaces rated at weight bearing limits of 12,500 pounds or less. If nothing changed in the future fleet mix, and the supporting infrastructure were maintained to meet these standards, then most of the Airport's facilities would be adequate into the future planning horizon.

However, this Business Plan suggests that circumstances are changing. The mission of the Airport appears to be changing from the traditional role of accommodating small GA aircraft of 12,500 pounds or less, to accommodating much larger corporate-type aircraft that weigh substantially more. The current pavement strengths, and configurations of many of the airport's taxiways and apron areas are not designed to accommodate regular use by heavier corporate aircraft, as shown in the Airport Master Plan. Likewise, other elements of the Airport's infrastructure such as fuel farms, hangars, terminal buildings, and support structures are not well suited to accommodating the change from smaller to larger aircraft. A successful Business Plan will likely increase the transition pace to heavier aircraft soon.

In summary, the actual configuration of the Marana Regional Airport is more than sufficient to accommodate the number of aircraft operations that may be expected within the current forecast horizon. However, the ability to physically accommodate those aircraft and their service related demands in the developing future market will require infrastructure strengthening, realignment, and development of new facilities across the airport.

5.6 AVIATION PRODUCTS, SERVICES, AND FACILITIES

The Marana Regional Airport offers a broad range of services and facilities to the GA community. Fueling services offering both 100 LL and Jet-A products are available. Maintenance services, flight schools, and specialty aircraft restoration services are all resident on the airfield. Ample hangar space is still available, and the airport is currently identifying areas for future growth and facility development to meet the demands of the future. Some of the major elements of the Airport's services are listed below:²¹

5.6.1 AVIATION FUELING FACILITIES

There are currently two fuel storage tanks on the Airport that are owned and operated by the FBO (Tucson Aero Service Center). Each fuel tank has a capacity of 12,500 gallons; 100LL Avgas and Jet A are available. A self-service system with a credit card reader is available for 100LL (Avgas) fuel only. The FBO also owns and operates a total of three fuel trucks; two are designated for Avgas and holds 1,200 gallons of fuel each, and the third is designated for Jet A and holds 5,000 gallons of fuel.

Unfortunately, the present location of the Airport's fuel farm is difficult to access when multiple large jets need to be serviced simultaneously. As the number and frequency of large jets accessing the airport grows in future years, it may be advisable to relocate or provide a second fuel farm at the large apron on the east side of the airport. Additional fuel storage capacity should be planned when the airport is unable to maintain an adequate supply and reserve. For general aviation airport's, such as Marana

²¹ Source information derived from 2016 Marana Regional Airport Master Plan Update

Regional Airport, typically a 14-day supply is common. As the need for additional fuel storage becomes necessary, additional tanks should be added in 10,000 or 12,500 gallon increments. These increments will be the most economical to install.

5.6.2 HANGAR FACILITIES

The airport currently has a variety of different aircraft hangars ranging from T-Hangars to box hangars in sizes ranging from 1,200 to 1,800 square feet, along with a line of shaded tie-downs (shade structure). Additional aircraft storage is provided in the form of open air tie downs in various locations across the airport. Several larger hangars also exist on the airport and are utilized for a variety of aircraft maintenance and service functions. In previous years, the Airport's occupancy rate has been 100% for all available hangars, however a small surplus of hangar space currently exists.

As the Airport grows and continues to experience a shift in use from smaller aircraft towards larger and heavier corporate aircraft, additional structures will become necessary. Generally, owners of larger corporate type aircraft prefer their aircraft hangared in times of bad weather or heat, or if they are staying for an extended period. Additionally, maintenance service providers will also need to provide structures capable of accommodating larger aircraft that may require heavy maintenance out of the weather. The locations of these larger facilities should be carefully considered, and placed in areas that are convenient to the user and perhaps adjacent to other services that may be required. Development of the east apron area for corporate aircraft parking, hangars, and service providers will likely be appropriate in future years.

5.6.3 TERMINAL BUILDING

The terminal building at general aviation airport's typically offers various amenities to passengers, local and transient pilots, and airport management. Terminal buildings (often called pilot lounges at general aviation airport's) most often house public restrooms, public telephones, a pilot lounge area, and information regarding airport services. The existing terminal building at the Marana Regional Airport also serves as the Airport's FBO (Tucson Aero Service Center) and is used by transient and local aircraft operators. It is recommended that an airport's terminal building be able to satisfy the forecasted peak-hour general aviation pilot and passenger demand.

The current terminal facility is adequate for current levels of service. However, as future demand along with the size of future aircraft utilizing the airport increases, it may be appropriate to relocate or develop a new terminal facility on the east parking apron to accommodate the corporate aircraft and passengers.

5.6.4 AIRCRAFT RESCUE AND FIRE FIGHTING (ARFF) STATION

According to FAA guidance, operators of Part 139 certificated airport's must provide Aircraft Rescue and Fire Fighting (ARFF) services. Marana Regional Airport is not a Part 139 certificated airport, therefore ARFF equipment is not required. Local municipal or volunteer fire departments typically provide fire protection to general aviation airport's in their district. Mutual aid agreements may also be provided and developed with nearby fire departments to assist in emergency situations. In any case, procedures should be in place to ensure emergency response in case of an accident or emergency at the airport. Although statistically very safe, the most likely emergency situations at general aviation airport's are an aircraft accident, fuel or aircraft fire, or a hazardous material (fuel) spill. The level of

protection recommended in FAA AC 150/5210-6D, Aircraft Fire and Rescue Facilities and Extinguisher Agents, for small general aviation airport's is 190 gallons of aqueous film forming foam (AFFF) supplemented with 300 pounds of dry chemical. Proximity suits should be utilized for fire fighter protection. Aviation rated fire extinguishers should be immediately available near the aircraft apron and fueling facilities.

It should be emphasized that the Marana Regional Airport is not a Part 139 facility, and as such an onsite ARFF station is not required. However, as a matter of policy many corporate flight departments utilizing larger corporate aircraft of the type that are becoming increasingly popular at Marana, will not dispatch their aircraft to an airport without ARFF capabilities. The timely development of such capabilities will likely be an influential factor in the future success of Marana's corporate aircraft development.

5.6.5 SUPPORT AND MAINTENANCE FACILITY

Another critical facility that the Airport does not currently have is a dedicated support and maintenance building. It is recommended that the Airport construct such a building in the short-term planning period to have a secure, functional, and organized location for the airfield's maintenance equipment. It is recommended that the building be approximately 10,000 – 20,000 square feet, although this is flexible.

5.6.6 AIRPORT ACCESS AND VEHICLE PARKING

The Marana Regional Airport is accessed from Avra Valley Road, which if taken east for approximately five miles will intersect with Interstate 10 (I-10). Traffic approaching the airport on Avra Valley Road is directed off the roadway and on to the airport entrance road. The two lane entrance leads to a paved vehicle parking area adjacent to the FBO/airport terminal building and Sky Rider Coffee Shop. Also adjacent to the main entrance on the east side is a dirt and gravel lot that is on occasion used for additional parking; this is usually when a large meeting or special event is being held at the airport.

Although not officially an entrance road, another paved, two-lane roadway is located approximately one mile east of the main entrance. This roadway was built in 2008. Some private airport businesses have access to their facilities via ancillary access roads, which also are accessed from Avra Valley Road. The existing entrance road is expected to be adequate to accommodate current and future activity for the planning period.

5.7 AIRPORT INFRASTRUCTURE

The general infrastructure of the Marana Regional Airport has developed over the years to meet the needs of the current business and operations levels of the airport. While the existing infrastructure is considered adequate for today, many of its systems will need to be upgraded and expanded to meet future needs. Much of the information for this section has been taken from the recent Marana Regional Airport Master Plan Update, which evaluated the current infrastructural elements and made recommendations for future improvements.²²

²² Source information for this section taken from 2016 Marana Regional Airport Master Plan Update

5.7.1 UTILITIES

The existing electric, water, and telecommunication utilities are considered adequate for the existing facility. Upgrades and improvements to the existing utilities are recommended, as needed, in order to accommodate recommended development. The need for additional utilities, or modifications to existing utilities should be evaluated, as future development scenarios are refined.

5.7.2 AIRFIELD PAVEMENTS

The pavement strengths on both runways at the Marana Regional Airport are very good, with weight bearing capabilities as indicated below:

- Runway 12-30: 75,000 pounds' gross weight single-wheel landing gear, 100,000 pounds' gross weight dual-wheel landing gear, and 300,000 pounds' dual-tandem wheel landing gear configuration.
- Runway 3-21: 75,000 pounds' gross weight single-wheel landing gear, 100,000 pounds' gross weight dual-wheel landing gear, and 150,000 pounds dual-tandem wheel landing gear configuration.
- Runway markings were re-painted in July, 2016 and condition is now good.

Most of the taxiway and parking apron pavements are only in fair-to-poor condition, with noticeable pavement failures in many areas. Pavement strengths are generally in the 12,500 pounds category and less in areas of apparent failure. Many of the pavement areas across the airport are in need of crack sealing, seal coating, or rehabilitation to bring them back to full strength. Additionally, as future demand develops, and the airport continues its transition towards heavier aircraft, primary taxiways and apron parking areas will need to be strengthened to accommodate the regular use of larger corporate jets.

5.7.3 AIRFIELD LIGHTING

The recent Master Plan Update noted that currently all of the MIRL and MITL on the airfield use incandescent light fixtures. There has been much advancement in light emitting diode (LED) fixtures on airport's over the last several years. LED fixtures are much more energy efficient and have a longer life span than traditional incandescent fixtures. To increase efficiency in future years, the Airport may want to consider replacing the existing incandescent MIRL and MITL in the medium- to long-term planning period. Should any new MIRL/MITL be needed as part of a runway or taxiway reconstruction project, it is recommended that the LED version of MIRL/MITL be installed.

Taxiway C currently does not have any MITL or retro-reflectors installed. It is recommended that one of these options be installed along Taxiway C in the short-term planning period to enhance safety for pilots using this part of the airfield at night or during inclement weather.

5.7.4 AIRFIELD SIGNAGE

All of the lighted airfield destination signs are in the process of being replaced; the new signs will be internally lit with LED fixtures. This system upgrade should serve the airport well into the future.

5.7.5 INSTRUMENT AIDS TO NAVIGATION

As described in the latest Marana Regional Airport Master Plan Update, the airport has non-precision, GPS and NDB instrument approach procedures to Runway 12 and 3-21. These approaches provide for visibility minimums as low as one mile and cloud ceiling down to 500 feet. These approaches should be maintained in the future as they provide all-weather capabilities for the airport. Non-precision Global Positioning System (GPS) approaches do not require ground-based facilities on or near the airport for navigation. The GPS receiver uses satellites for navigation, and it involves little or no cost for the airport sponsor. An instrument approach increases the utility of the airport by providing for the capability to operate in inclement weather conditions. This is especially important for air ambulance, physician transport, and business flights. It is also useful for conducting training and maintaining instrument currency.

Development of an Area Navigation (RNAV) approach with one-mile visibility minimums to Runway 30 is recommended, as it would provide enhanced safety and utility during hours of darkness and adverse weather conditions. Visibility minimums of lower than one mile are not necessary based on the weather conditions which typically occur in southern Arizona. Further investigation as to whether a non-precision instrument approach can in fact be created for Runway 30 will be determined by the FAA Flight Procedures Office.

5.7.6 VISUAL AIDS TO NAVIGATION

The Precision Approach Path Indicators (PAPIs) are currently in good working condition. The REIL's were replaced with LED's in October, 2016. They should be maintained until they have reached the end of their useful life-cycle. It is anticipated that some or all of the components of these systems may need to be replaced in the medium- to long-term planning period. The wind cones and segmented circle are also in relatively good condition. The Airport should maintain and replace/paint as needed over the course of the planning period. Finally, the airport rotating beacon is also in adequate condition, although it was noted that the fixture and tower are outdated. Possible replacement in the medium-term planning period may be warranted.

5.7.7 WEATHER AIDS

The existing Airport AWOS meets the existing and projected needs of the Airport and is in good overall condition as stated in the Master Plan Update. Replacement of the AWOS equipment may be necessary during the planning period due to technological improvements.

5.8 NON-AERONAUTICAL USE

In general terms, FAA regulations dictate that all land and facilities located inside the fence will be utilized for aeronautical purposes. This includes the entire obvious infrastructure like runways, taxiways, NAVAID's, and apron areas. It also includes airport businesses and operators. Facilities like an aviation paint shop, an FBO, aircraft hangars, or other aviation service provider are acceptable

functions on the airside. Other operations such as a non-aviation manufacturing facility, an office building, or other non-aviation commercial operations should not be accommodated inside of the fence and air operations areas. In short, all facilities inside the fence at the Marana Regional Airport should be for the use, or support of, aeronautical activities.

However, it is recognized that a variety of non-aeronautical uses are both beneficial and appropriate to an airport's function. Hotels, restaurants, rental car facilities, gas stations, parking facilities, and a variety of other concessions are appropriate to the structure of services offered by an airport. Such operations provide a necessary service to airport users, and are typically located on airport property, but outside of the airside fence or boundary.

Many other businesses or industries can enjoy a symbiotic relationship with the airport as well. Development around the perimeter of an airport should be "compatible" in nature with the impacts that are produced by routine airport operations. While it is recognized that noise sensitive types of developments such as churches, schools, hospitals, and residential areas should be avoided in the immediate impact areas of an airport, other industrial or business types of development are compatible with the airport environment. For example, many businesses such as manufacturing entities, infrastructure and transit companies, and business parks directly benefit from the nearby access to the airport for transportation of their people, products, and services.

The airport and those areas immediately adjacent to it are best characterized as non-aeronautical and industrial development zones. A balance must be maintained to assure that the specialized aeronautical requirements of the airport are not compromised by the activities and functions of its immediate neighbors. This is best achieved by trying to attract compatible businesses and industries that benefit from the symbiotic relationship of being located immediately adjacent to the airport.

5.9 THROUGH-THE-FENCE OPERATIONS

Through-the-fence operations represent a situation where an airport allows access, generally from private entities outside of the airport perimeter, through-the-fence onto the airport operating area. This allows these private entities to utilize the benefits of access to the airport's runways, taxiways, and facilities without necessarily being subject to normal airport fees and other controls "on airport" operators are subject to. That means through-the-fence operators contribute to the wear and tear of the airport's runways, taxiways, and other systems by their use, but do not necessarily pay rent, hangar fees, parking fees, and other associated users fees for the airport use that would offset those maintenance and operations costs.

The FAA encourages all airports to be as self-sustaining as possible, charging fair market value for their services to offset the need for outside funding and grants as much as possible. While the FAA does not prohibit through-the-fence operations, they do not encourage them either, believing that such access increases the maintenance and operations costs of the airport, without any substantial revenue return for its use.

In the future, the Marana Regional Airport may have an opportunity to pursue through-the-fence operations if appropriate. The most likely access would be entry from the east side of the airfield, adjacent to the large east side aircraft-parking apron. The actual need for such access could be determined by how the "off-airport" land immediately adjacent to the Airport's east side is developed.

If a business or industry that required direct access through-the-fence was developed in that location, then appropriate access and security measures could be developed to accommodate that function.

With that said, the most appropriate action for the airport would be to attempt to locate such businesses with airside requirements physically on the airport first where appropriate lease and fee controls could be put in place. The most beneficial situation for the airport occurs when aeronautical activities and development are physically located on airport property.

While other businesses and industries may benefit by being in the immediate vicinity of the airport, direct access onto the airport operations area should be reserved only for special circumstances, if at all.

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CHAPTER 6

Chapter 6 – Airport Business Development

6.1 INTRODUCTION

This section will expand upon the information contained in Chapter 5 pertaining to existing aeronautical activities and infrastructure into an analysis of future business development opportunities and configurations. An evaluation of existing economic development centers located both on, and adjacent to the Airport will be conducted, followed by a discussion about appropriate zoning to help achieve future business development.

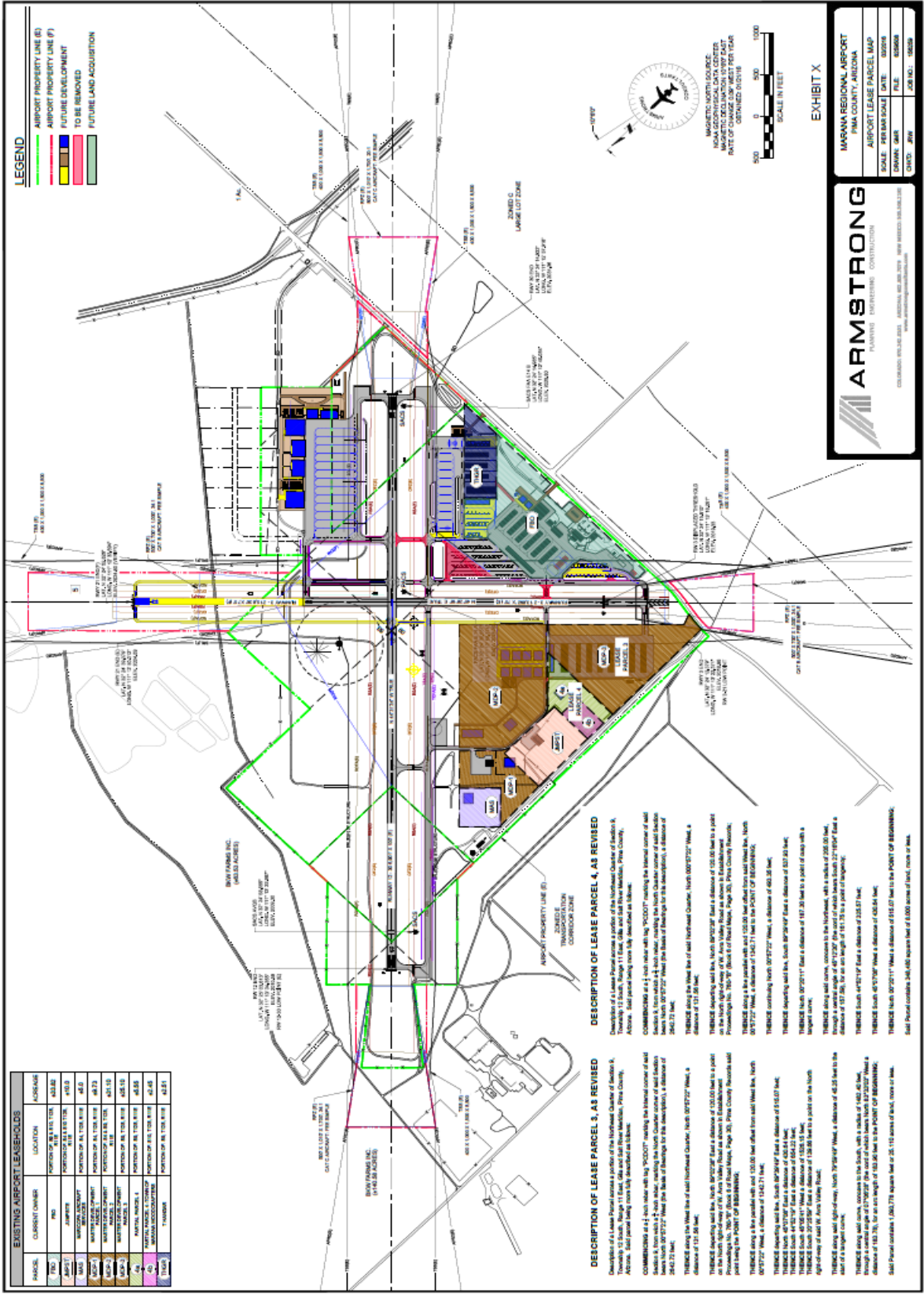
The results of this analysis will help identify appropriate economic zones for future development that are compatible with both airport operations and other activities immediately adjacent to it, provide an overview of existing businesses and services at the Airport and within the Town that are conducive to driving future development, and identify specific business types and their associated marketing requirements that the Airport wishes to attract in the future.

6.2 CURRENT BUSINESS CONFIGURATIONS

The major business and service areas of the Marana Regional Airport today are broken into several distinct areas. Hangars in the west and northwestern quadrants of the airport currently support several aircraft maintenance and aircraft refurbishing operators, along with a parachute training facility. The southern sections of the airport support an FBO complex and fueling facilities, airport administrative offices, a small restaurant, and several large hangars for aviation service providers. More centrally located, but south of the runway intersections, are a variety of airport shade hangars, nested T-hangars, larger box hangars, and aircraft tie-downs that house most the airport's based aircraft. A large asphalt aircraft parking apron also exists on the airport's east side that is occasionally utilized for remotely parking aircraft, but is generally undeveloped at this point. The north side of the airport is generally undeveloped except for runways, taxiways, and related infrastructure.

The general layout of the airport is reasonably segregated into compatible and related business centers. However, some of the service functions like the FBO and fuel farm suffer from space constraints when required to service multiple large aircraft simultaneously. As the primary service function of the Airport shifts from smaller to larger aircraft, some reallocation of existing space will need to be made to effectively accommodate the demands of future business. Additionally, as discussed earlier several infrastructure upgrades to certain taxiways and aircraft parking areas will need to be addressed in the short-term to accommodate those larger aircraft and the businesses that service them.

Current business leaseholds are depicted in **Exhibit 6.1** on the following page:



EXISTING AIRPORT LEASEHOLDS			
PARCEL	CURRENT OWNER	LOCATION	ACRES
1	TRAC	PORTION OF 88.178 ACRES	43.828
2	TRAC	PORTION OF 88.178 ACRES	43.828
3	TRAC	PORTION OF 88.178 ACRES	43.828
4	TRAC	PORTION OF 88.178 ACRES	43.828
5	TRAC	PORTION OF 88.178 ACRES	43.828
6	TRAC	PORTION OF 88.178 ACRES	43.828
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10	TRAC	PORTION OF 88.178 ACRES	43.828
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12	TRAC	PORTION OF 88.178 ACRES	43.828
13	TRAC	PORTION OF 88.178 ACRES	43.828
14	TRAC	PORTION OF 88.178 ACRES	43.828
15	TRAC	PORTION OF 88.178 ACRES	43.828
16	TRAC	PORTION OF 88.178 ACRES	43.828
17	TRAC	PORTION OF 88.178 ACRES	43.828
18	TRAC	PORTION OF 88.178 ACRES	43.828
19	TRAC	PORTION OF 88.178 ACRES	43.828
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21	TRAC	PORTION OF 88.178 ACRES	43.828
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23	TRAC	PORTION OF 88.178 ACRES	43.828
24	TRAC	PORTION OF 88.178 ACRES	43.828
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35	TRAC	PORTION OF 88.178 ACRES	43.828
36	TRAC	PORTION OF 88.178 ACRES	43.828
37	TRAC	PORTION OF 88.178 ACRES	43.828
38	TRAC	PORTION OF 88.178 ACRES	43.828
39	TRAC	PORTION OF 88.178 ACRES	43.828
40	TRAC	PORTION OF 88.178 ACRES	43.828
41	TRAC	PORTION OF 88.178 ACRES	43.828
42	TRAC	PORTION OF 88.178 ACRES	43.828
43	TRAC	PORTION OF 88.178 ACRES	43.828
44	TRAC	PORTION OF 88.178 ACRES	43.828
45	TRAC	PORTION OF 88.178 ACRES	43.828
46	TRAC	PORTION OF 88.178 ACRES	43.828
47	TRAC	PORTION OF 88.178 ACRES	43.828
48	TRAC	PORTION OF 88.178 ACRES	43.828
49	TRAC	PORTION OF 88.178 ACRES	43.828
50	TRAC	PORTION OF 88.178 ACRES	43.828

DESCRIPTION OF LEASE PARCEL 4, AS REVISED

Description of 4 Lease Parcel across a portion of the Northwest Quarter of Section 8, Township 33N, Range 12E, T13S, P12E, Maricopa County, Arizona. Said parcel being more fully described as follows:

COMMENCEMENT at a point with the 2000'x700' existing the lowest corner of said Section 8, from which a 2-foot wide, existing the North-Corner corner of said Section 8, to a point with the 2000'x700' existing the North-Corner corner of said Section 8, a distance of 2642.73 feet;

THENCE along the West line of said Northwest Quarter, North 00°27'27" West, a distance of 132.26 feet;

THENCE departing said line, North 80°29'27" East, a distance of 132.00 feet to a point being the POINT OF BEGINNING;

THENCE along a line parallel with and 132.00 feet above said West line, North 00°27'27" West, a distance of 1342.71 feet;

THENCE departing said line, South 80°29'27" East, a distance of 652.07 feet;

THENCE along a line parallel with and 132.00 feet above said West line, North 00°27'27" West, a distance of 1342.71 feet;

THENCE along said curve, concave to the Northwest, with a radius of 2528.00 feet, through a central angle of 17°00'00" to the West, a distance of 452.00 feet;

THENCE along a line parallel with and 132.00 feet above said West line, North 00°27'27" West, a distance of 1342.71 feet;

Said Parcel contains 344,488 square feet of 8.000 acres of land, more or less.

Exhibit 6.2 – Marana Regional Airport Lease Map

6.3 AIRPORT DEVELOPMENT AREAS AND RECOMMENDATIONS

The most effective utilization of land at Marana Regional Airport will occur if three distinct districts on the airfield are developed, each zoned for specific types of development. This type of segregation by use will allow for the most efficient development of similar businesses and help promote the highest and best use of the available developable land. A description of these three districts and their related uses are as follows:

Specialty Aviation Services Complex: This district shown in yellow on Exhibit 6.2 is located on the west side of the airport, and accommodates specialty operations such as aircraft refurbishing, airframe modifications, hangars for mechanical and avionics shops, and other specialty work associated with heavy aircraft maintenance.

General Aviation Complex: The General Aviation Complex, shown in blue, is in the southern and central portions of the airfield, and is designed to accommodate a wide variety of aircraft hangars, shade hangars, and open aircraft parking facilities. Other buildings in this area currently include the FBO facilities and fuel farm, and the airport administration and maintenance buildings. Future growth in this area will be directed towards hangar and facility development for small to medium sized general aviation aircraft.

Corporate Development Complex: The Corporate Development Complex shown in green, and located on the eastern side of the airport, is largely undeveloped today; it consists of a large asphalt aircraft parking apron and connecting taxiways. Future planning indicates that this area is best designated for the development of facilities and services to accommodate larger corporate type aircraft and their related service requirements. Such development will likely include large hangars, satellite fueling services, specialty maintenance operations geared towards large corporate aviation, an executive terminal building, and potentially a small office complex.

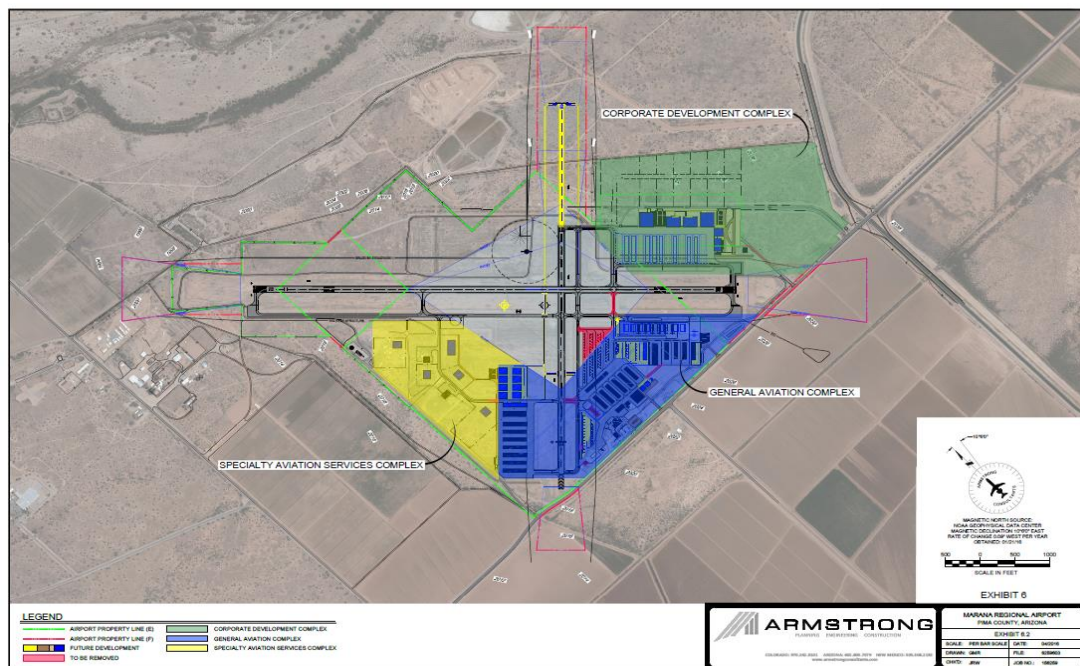


Exhibit 6.3 – Airport Development Areas

6.4 TOWN OF MARANA ECONOMIC ACTIVITY CENTERS ADJACENT TO AVQ

In addition to the three development areas shown on Exhibit 6.2 above, the Town of Marana must also consider the direction of the larger developable areas located immediately adjacent to the airport. As illustrated in **Exhibit 6.5**, most of the lands immediately surrounding the airport are zoned for industrial use. By that definition, most of the operations that can be accommodated within those areas should be compatible with adjacent airport uses. However, it is important for the Town of Marana to properly screen future developments in those areas to ensure future conflicts with airport operations do not occur. Examples of developments that could interfere with airport operations include heavy industries that produce smoke or vapors that may impede visibility around the airport, tall towers or chimneys that may penetrate critical airspace surfaces, or water attractions that may attract wildlife and birds creating a wildlife hazard for airport operations.

The greatest and best use of lands surrounding the Marana Regional Airport are served by developing businesses and industries that share a synergy with the airport that mutually benefits the growth of each.

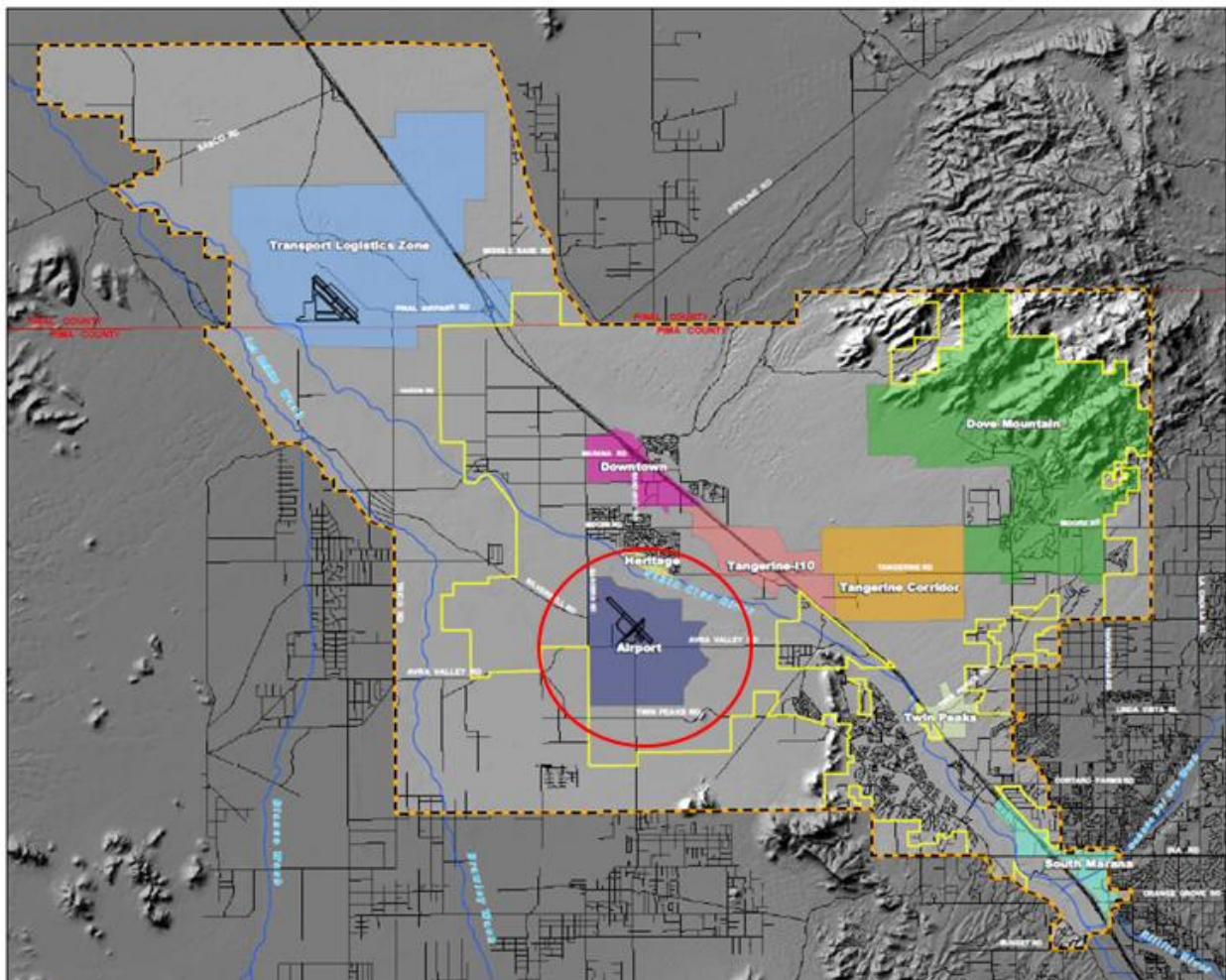


Exhibit 6.4 - Town of Marana – Economic Activity Centers

6.5 CURRENT LAND USE DESIGNATIONS ADJACENT TO AVQ

As we examine land use across the entire Marana community, we can see the divisions of industrial, commercial, residential, agricultural, and rural uses. The Marana Regional Airport is established in its own “Airport Zone” and surrounded by land zoned for industrial uses. At this time, no critical land uses that might impede the operations of the airport exist in close proximity.

Most of the industrial development zoning is in the southwest portion of the Town near the Airport, and a considerable strip of commercial and Master Planned zoning exists along the Interstate 10 corridor. Large tracts of residential and agricultural zoning cover the most of the rest, except for Parks and Open Space zoning in the northwest quadrants of the Town. Most of the Town of Marana appears to be well zoned to prevent conflicts between competing land uses, and allows for managed growth in future years.

Most of the industrial and commercial land uses that might support a synergy with the Airport are located either immediately adjacent to the airport, or within two or three miles driving distance from its entrance. The proximity of Interstate 10 to the Airport, industrial, and commercial areas creates an effective and balanced intermodal environment for the movement of people, services, and goods.

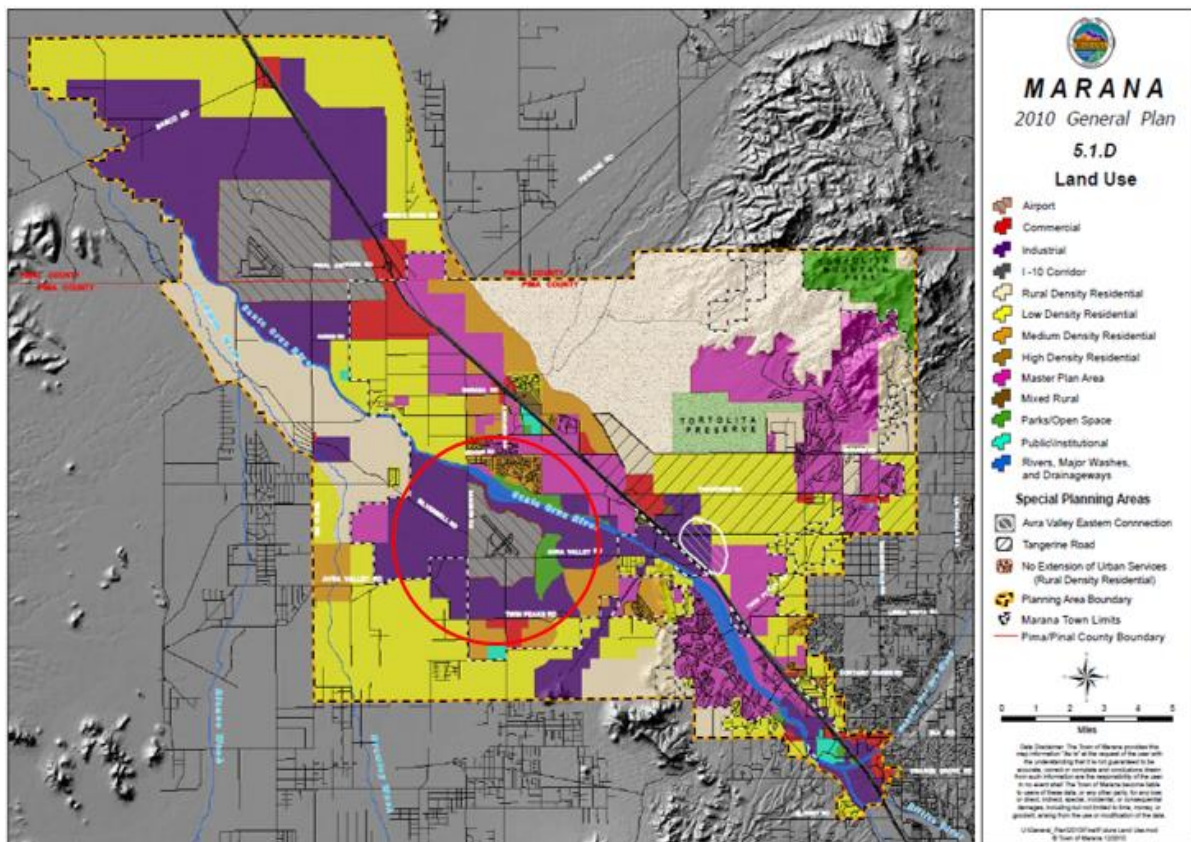


Exhibit 6.5 - Town of Marana – Land Use

6.6 NEW BUSINESS ANALYSIS

The proposed business sectors have been developed using "standard categories of Business Products and Services" as developed by Business Week. These categories follow the Standard Industrial Classification system of the U.S. Department of Commerce. Under the Business Week program, there are twenty-eight categories of Business Products and Services. These categories cover all of the classifications for any type of business that operates in the United States. The full twenty-eight categories are noted in Exhibit # 6.5 Inventory of Business Products and Services located in Marana Area.

Based on the interviews with various community and business leaders, it appears that the goal of the community is to help existing businesses expand, and attract new companies supporting and generating tourism expand cluster activities in health-care, small manufacturing and expand business in the high tech industry.

The Marana Regional Airport can contribute to expanding the base of business for the community. Large amounts of land zoned for industrial applications exist immediately adjacent to the airport, and nearby in other areas of the Town as well. The Town of Marana owns a significant amount of land inside and outside the of the airport perimeter fence. The Town of Marana and the Airport can optimize its revenue with an effective business development program targeted towards general aviation, corporate aviation services, specialty aviation services, and other aviation related businesses that fit the general business characteristics of the community. The Airport is well designed to meet the demands of future general aviation and corporate aviation. Additionally, appropriate zoning for development of industrial and commercial business that will complement the business at the airport is already in place.

The strengths of the Airport include: central location for residents in southern Arizona, valuable highway access, lower cost land and facilities compared to larger population centers like Phoenix, Denver, and Los Angeles, a major push for more tourism, and a strong business community. Some of the primary weaknesses of the Marana Regional Airport as noted in Chapter 5, include infrastructure issues such as pavement strengths, utility limitations, and limited facilities to accommodate future growth of the corporate aviation market.

Exhibit 6.6 illustrates the standard categories of Business Products and Services located in the Marana area, described previously and indicates where each category of business can be found in the Town of Marana boundaries.

Exhibit 6.6 – Inventory of Business Products & Services Located in Marana Area

INVENTORY OF BUSINESS PRODUCTS & SERVICES LOCATED IN MARANA AREA			
Product or Service	At the Airport	In the Area	Not in the Area
1. Aerospace/Aviation			
a. Gov. & DOD	X		
b. Non-Gov.	X		
2. Agriculture			
a. Production		X	
b. Processing		X	
3. Automotive			
a. Vehicle Manufacturing			X
b. Parts Manufacturing		X	
c. Sales & Service		X	
d. Tire & Rubber		X	
4. Banks		X	
5. Business Services		X	
6. Chemicals		X	
7. Conglomerates		X	
8. Consumer Products			
a. Apparel		X	
b. Appliance & Furnishings		X	
c. Beverages		X	
d. Personal Care		X	
9. Containers & Packaging			
a. Glass, Metal, Plastic			X
b. Paper			X
10. Fashion		X	
11. Education a. Services			
b. College		X	
12. Electrical/Electronics			
a. Electrical Products		X	
b. Electronics		X	
c. Instruments		X	
d. Semi-Conductors			X
13. Food			
a. Distribution		X	
b. Processing		X	
c. Retailing		X	
14. Fuel			
a. Coal			X
b. Oil and Gas	X		
c. Petroleum Services		X	
15. Health Care			

a. Drug Manufacturing			X
b. Research			X
c. Medical Services		X	
d. Medical Products		X	
16. Housing & Real Estate			
a. Building Materials		X	
b. Construction		X	
c. Real Estate Sales		X	
17. Leisure Activities			
a. Eating Establishments		X	
b. Entertainment		X	
c. Hotel/Motel		X	
d. Recreation Products		X	
18. Manufacturing			
a. Fabricated Metal		X	
b. Furniture		X	
e. Primary Metals		X	
f. Rubber & Plastics		X	
g. Textiles			X
19. Metals and Mining			X
20. Non-Bank Financial			
a. Financial Services		X	
b. Insurance		X	
c. Thrift and Loan		X	
21. Office Equipment and Computers			
a. Business Machines/Services		X	
b. Computers/peripherals		X	
c. Software Services		X	
22. Paper & Forest Products		X	
23. Public Administration	X		
a. Federal Government		X	
b. State Government		X	
c. Local Government		X	
24. Publishing & Broadcasting			
a. Broadcasting		X	
b. Publishing and Printing		X	
25. Service Industries			
a. Advertising		X	
b. Construction		X	
c. Distribution		X	
d. Engineering		X	
e. Consultants		X	
f. Other Services		X	
26. Telecommunications			

a. Equipment & Services		X	
b. Telephone Companies		X	
27. Transportation			
a. Airlines			X
b. Bus		X	
c. Rail		X	
d. Ship			X
e. Trucking		X	
28 Utilities & Power		X	

6.7 CUSTOMER REQUIREMENTS

The key to the recruitment of a new business to the Town of Marana and Pima County area is the ability to meet the requirements of that business. The potential customer will create jobs for the area residents and contribute to the overall aviation business at the Airport. The following are considered the most important requirements of the customer or new business wishing to relocate.

- Low-cost labor and non-union environment
- Low-cost land and low taxes for facility
- Pre-constructed and/or build-to-suit facilities
- Limited environmental restrictions
- Economic incentive and availability of training funds
- Location that offers "Quality of Life" for employees
- Transportation access to major markets
- Good passenger and cargo air service
- Strong community support for business

The Town of Marana and Pima County have reasonably low-cost labor and low-cost land. The cost of labor and land is lower than other metro areas like Las Vegas, Phoenix, and Los Angeles which allows this area to be very competitive in this region. Indications from some developers indicate that they have some empty facilities available and are willing to build-to-suit the client requirements. The Town of Marana will move to quickly accommodate new developments in town where appropriate as well, which is very positive.

During the due diligence, all of those interviewed indicated that the "quality of life" is the number one attribute of the area. Housing in the area is very reasonable and the area has very low crime. Family values and education are key to the area. Many community leaders would like to see companies in the

fifty-employee size or smaller with higher wages. The valuable highway access to Interstate 10, access to rail service, and the continued development of the Airport are all key assets.

6.8 MARKET CHARACTERISTICS FOR AIRPORT RELATED BUSINESS

There are certain products and services that are directly related to aviation and airlines. These products and services, by their nature, may be required to be located at or near an airport. In reviewing, various aviation guides and directories, a list of 52 aviation and airline products and services has been developed. In reviewing the list, it was discovered that, in most cases, the airline and aviation-related products and services need to be onsite or near the Marana Airport. In our survey, we identified that 39 of the 52 activities need to be at or near the Airport. These activities are the service related businesses that support airline passenger and freight service and general aviation services. These products and services are totally dependent on being physically located on an airport.

Thirteen activities were identified that do not depend on an airport location to operate effectively. These products or services included manufacturing, engineering, training, publishing, and consulting. These products and services could be located at an airport or near an airport as long as the cost of operation is lower than a location away from the airport. **Exhibit 6.7** below lists the location characteristics for aviation related businesses. As mentioned in the Customer Requirements section of this plan, the need for low-cost land, low taxes, build-to-suit facilities, economic incentives, and limited environmental restrictions are the market drivers for companies that would also locate in a business or industrial park.

Exhibit 6.7 – Location Characteristics of Aviation Related Products and Services

LOCATION CHARACTERISTICS OF AVIATION RELATED PRODUCTS AND SERVICES			
Aviation Activity	Onsite at the Airport	Near the Airport (within 10 miles)	No Airport Requirement
1. Accessory manufacturers			X
2. Acoustics			X
3. Air Ambulance	X		
4. Air Cargo	X		
5. Air Charters	X		
6. Air Courier	X		
7. Air Taxi	X		
8. Aircraft Brokers		X	
9. Aircraft Cleaning Services	X		
10. Aircraft Interior, Design, & Modifications			X
11. Aircraft Manufacturer	X		
12. Aircraft Parts Manufacturer			X
13. Airframe Repair and Overhaul	X		
14. Associations/Clubs			X
15. Auto Parking Lots	X	X	
16. Auto Rental	X	X	
17. Aviation Attraction	X		

18. Aviation Fueling	X		
19. Aviation Medical Services	X		
20. Avionics Distributors and Dealers		X	
21. Aviation Training School	X		
22. Catering	X	X	X
23. Component Design Engineering			X
24. Computer software			X
25. Aircraft Electrical repair		X	
26. Aircraft Engine Repair and Overhaul	X		
27. Flight Planning Services	X		
28. Freight Forwarder		X	
29. General Aviation Center	X		
30. Gift/retail shop	X	X	X
31. Ground Equipment Manufacturer			X
32. Ground Equipment Repair		X	X
33. Government Agency			X
34. Helicopter Charter	X		
35. Helicopter Repair/Overhaul	X		
36. Hotel		X	X
37. Flight Attendant Training			X
8. Instrument Manufacturer			X
39. Aircraft Instrument Repair	X	X	
40. Aircraft Modifications, Repair, Painting	X	X	
41. Private Passenger Terminal	X		
42. Pilot Training	X		
43. Publications			X
44. Reservations Training			X
45. Restaurants/Food Service		X	X
46. Safety and Emergency Equipment			X
47. Scheduled Airline	X		
48. Scheduled Airline Corporate Office		X	
49. Scheduled Airline Maintenance Base	X		
50. Aircraft Simulators		X	
51. Weather Services	X		
52. Aircraft Window, Windshield, Shade repair	X	X	

6.9 MARKET SEGMENTATION

The Airport is dealing with a very broad and diverse market in its efforts to find companies that will relocate to the Marana and Pima County area. The numbers of options available are numerous, widely scattered, and varied in their selection requirements. Some of the Airport's competitors are in a better position to serve certain segments of the market. Instead of competing everywhere, it is in the best interest of the Airport to identify the most attractive segments of the market that it can serve most effectively.

The market consists of companies that differ in their wants, resources, geographical location requirements, buying attitudes, and practices. These industrial markets can be segmented by variables such as: demographic variables, operating variables, business character, situational factors, and personal characteristics.

Based on the market segment variables for Industrial Markets, the segmentation strategy for the Town of Marana and Pima County should be centered on the following:

- *Demographic* – Area population experienced steady growth in previous years. Currently, Marana exhibits good growth when compared to other metro markets in the West. Reasonable cost of living makes the area very attractive to younger families and retirees.
- *Operating Variables* – Companies will need low-cost facilities and a skilled labor force to be competitive. Land and building costs will need to be very competitive. New businesses will need reliable and quality internet and communications capabilities.
- *Character of the Business* – Professional and technical companies that have the greatest flexibility in locating in the smaller metro markets. The Town of Marana should continue to add to its existing areas of business specialty niches and clusters.
- *Situational Factors* – In the short-term, Marana and Pima County and the Airport should focus on companies that need a quick change of location. Companies seeking to leave the high crime areas in the large metropolitan areas are often the best candidates.
- *Personal Factors* – The companies that Marana and Pima County and the Airport are seeking to attract, in most cases, are privately owned. The existing location of these companies is based on various business factors and the companies are close to where the owner wants to live. "Quality of Life" and lower cost of operations are the key selling points of the area and this should be emphasized.

6.10 BUSINESS DEVELOPMENT OPPORTUNITIES

Analysis of recent growth trends in the Town of Marana, and corresponding increases in air traffic and service demands at the Marana Regional Airport, highlights the potential for new business development opportunities. The primary focus of this Business Plan is to analyze and highlight aviation and other business opportunities that can be accommodated on the Marana Regional Airport, or in areas immediately adjacent to the airfield, that will contribute towards its successful growth in the future. In general terms, Marana's various attractions are bringing an increasing number of large corporate aircraft into the community, and creating an associated increase in demands for fuel and other revenue producing services. The net result is that the Airport appears to be on the front end of several developing opportunities that could mark a period of substantial growth for the facility. There is strong development potential both on the Marana Regional Airport property, and in the adjacent areas zoned for industrial use that surround the airport. Some of the best development potential appears to fall into several categories as follows:

6.10.1 AIRCRAFT SERVICES

The Airport is already in the business of providing aircraft services, from fueling and maintenance to specialty avionics and refurbishing. However, in previous years the primary market centered around smaller single and twin-engine aircraft. Today there is an increase in larger, more complex corporate jet aircraft. The full-service package many of these customers usually require may include much larger volumes of fuel, major maintenance capabilities, security, large overnight hangar accommodations, water and lavatory services, catering, pilot lounge, flight planning and weather briefings, ground transportation, and reasonably private terminal accommodations for their passengers.

Service requirements for smaller aircraft can continue to be accommodated and even expanded in the southern and western portions of the airport as previously mentioned. However, the parking and hangar requirements of the larger aircraft forecasted for the future will likely be best developed on the Airport's large east apron.

Careful planning of this area will allow for future development of fueling facilities, larger corporate type hangars for storage and related aircraft services, and an adjacent executive terminal building and office accommodations to meet the needs of these clients. In today's corporate aircraft world, having such facilities often makes the difference between a company flying to your airport, or to another airport that does have such accommodations.

In future years, the Town of Marana will need to target business and service operators that can provide:

- **Expanded FBO Services:** The Marana Regional Airport has always provided quality FBO services to meet the demands of based and transient aircraft from the region. Then again, recent forecasts support a change in the scope and type of services that future aviation customers may demand including:
 - Competitive fueling services and pricing
 - General aircraft maintenance and cleaning services
 - Heavy maintenance and engine capabilities
 - Appropriate hangar and storage service
 - Ground transportation services and rental car options
 - Catering services
 - Flight planning and weather services
 - Executive security services
 - Expanded and up-scale rest areas, including restrooms and other private areas

Development of an executive terminal building with private meeting rooms or office accommodations for transient customers will also be appropriate in the future. Many high-end VIP's may wish to preserve privacy and transit into and out of the airport without being exposed to the general public. The future FBO should have the capability to provide executive, security, and transportation arrangements as appropriate to accomplish such transit as needed.

- ***Maintenance, Repair, and Overhaul Facilities (MROs):*** MROs are a title that encompass a multitude of maintenance functions and service providers that may be present on an airport. Marana Regional Airport already has an established base of operators capable of providing heavy maintenance, repair, and overhaul services in its various forms. Based on that history, and the forecasts for increasing use of the Airport by heavy aircraft, Marana has an opportunity to develop its reputation as a major maintenance base for aircraft throughout the region. As operations increase, and as demand for such services for newer and larger aircraft grow as well, new opportunities for MROs will present themselves.

There are three broad categories of MROs including airline affiliate MROs, original equipment manufacturers (OEM), and independent MROs. At present, approximately three quarters of the MRO market is comprised of component overhaul, engine overhaul, and line maintenance. The commercial aircraft engine MRO market is the largest of those groups, and due to the increasing complexity and costs of modern engines, demand for quality services in this area are forecast to rise. Demand for other facets of the MRO market will grow as well creating opportunities for other operators such as avionics specialists, airframe and power plant (A&P) mechanics, aviation paint shops, and specialty aircraft and airframe refurbishing businesses. Specialty operators of this type should be targeted when considering future development opportunities.

The market for MRO facilities reflects levels of demand for direct aircraft maintenance activities including line maintenance, base maintenance, and component overhaul as well as supporting activities such as technical services including engineering, maintenance planning, publications, purchasing and materials management, and quality assurance and control. Line maintenance activities include pre-flight and transit checks, daily checks, weekly checks, A-checks, and technical fault and troubleshooting and recertification. Base or heavy maintenance is performed on an out-of-service aircraft and includes major system modifications, schedule checks above the A-level, special inspections due to Airworthiness Directives, aircraft interior modifications, and aircraft painting. Component overhaul involves maintenance of specialized equipment on the aircraft such as engines, landing gear, avionics, hydraulic and pneumatic systems.

Future development of heavier aircraft operations, and attraction of the appropriate MRO support services will form a synergistic relationship that supports growth into the future. Ample room exists today on the western side of the Marana Regional Airport to accommodate the heavier MRO functions shown above, and speciality maintenance and line functions can also be accommodated with future development of the larger apron on the east side of the airport. Target markets should include MRO operators and services that will be in demand as aircraft operations grow.

- ***Flight Schools and Training Facilities:*** The Marana Regional Airport regularly receives student pilots from other airports that fly to Marana to perform flight training exercises. Recently interest has been expressed about the possibility of relocating a large flight school from its current location to Marana. The benefits of such development would translate into higher fuel sales, increased lease revenues, and higher activity levels for the facility.

Depending on the size of the flight school organization and its activity level, space on the aircraft parking apron would have to be assigned, and office space acquired sufficient to accommodate the school's activities. As the Airport moves towards future development it would be wise to designate available space for flight school activities, and target flight schools that might have an interest in expanding or relocating to Marana.

- ***Charter Aircraft Operators:*** On-demand aircraft charter operators fill a niche for the occasional traveler that requires personalized air travel accommodations. These are usually point-to-point charters outside of traditional commercial airline services. Often times the charter aircraft operator requires nothing more than a parking spot, or hangar for their aircraft, and small office accommodations.

Charter service providers should be targeted and marketed as appropriate to fill the need for local demand. While this service may not represent a large segment of the overall Marana aviation picture, it is a normal and expected service airport users look for.

6.10.2 FACILITY AND OFFICE DEVELOPMENT

As aircraft traffic and related services continue to grow in future years, so will the demand for appropriate facilities to house their activities. In addition to hangars for aircraft storage, specialized facilities for the handling of air cargo or small package distribution, classrooms and offices for flight schools, facilities for small aviation businesses, and general office space will grow in demand. Many businesses associated with the logistics of moving goods and freight or providing services to the community often benefit by having an operating location on, or immediately adjacent to, an airport. Trucking companies and freight haulers, technical companies that are involved in the development of small components or electronics, small office complexes that may serve as a home base for airport tenants, or other business entities all represent viable future development opportunities. Future recruiting efforts should target such airport compatible businesses capable of utilizing or developing such facilities both on or off the airport. Examples of potential businesses or operators include:

- ***Airfreight or Package Facilities:*** This business category can cover operators as big as FedEx and UPS to smaller freight forwarding and package delivery operators that depend on an air-link to move goods and services. These are operators that could benefit from the intermodal aspects that are present between the airport, interstate and local roadway systems. Depending on specific needs such operators can be located on the airside, or simply adjacent to the airport.

An analysis of existing operators indicated that the greater Tucson area was home to over 19 general freight and trucking companies. Most of those organizations were located within the greater Tucson Metropolitan Area. Both FedEx and UPS also maintain distribution centers within the City of Tucson as well. Such operators tend to locate where they can be most efficient, or where they are closest to their customer base. In this case, most of the customer base would be located within the Tucson Metropolitan Area, centrally located Tucson International Airport, and associated Interstate and local roadway system offer the quickest access to that market.

As the Tucson Metropolitan Area grows, much of that growth is occurring to the north along the Interstate 10 corridor towards Marana. The Marana Regional Airport generally has competitive or lower rates for airport leases and services than Tucson International Airport, and this pricing structure could prove attractive to a new operator providing similar rapid freight or package services to the north side of the Tucson MSA in future years.

- ***Trucking and Logistics Companies:*** Trucking and logistics companies can require large amounts of outdoor space for parking, maneuvering and terminal activities. While businesses of this type do not generally require direct airside access, they do benefit from locating in areas nearby the airport and access to local transportation systems. Additionally, development areas immediately adjacent to an operating airport should be considered semi-industrial in nature, and trucking and logistics firms are a good fit for that environment without presenting negative impacts to the airport.
- ***Warehousing and Storage:*** Other prime candidates for the semi-industrial environment surrounding the Airport include warehousing and storage facilities. They are a good zoning fit for areas around the Airport, and generally present no hazard or impediment to airport operations. Here again, a benefit may be present if the business accommodates goods or services delivered by air.

The greater Tucson area has numerous warehouses that are priced from lows of a couple hundred thousand dollars up to the millions depending on space and complexity. While this function fits well into a general business or light industrial park setting, it is also extremely competitive across the market. Target customers for this development category should be narrowed to entities that benefit from association with the airport and related intermodal transportation options. Examples would include warehousing and storage for air freight companies, distributors and shippers of small specialty items like electronics, software, aircraft parts, and small mechanical items that routinely are shipped by air on an expedited basis.

- ***Aircraft Parts and General Manufacturing:*** Manufacturing of aircraft parts, or general light manufacturing of a nature that does not interfere with local airport operations is another category of compatible businesses that can be located adjacent to an airport boundary. Specifically, aircraft parts or systems manufacturing could also support the activities of the MROs operating on the facility, or help attract clients with aircraft undergoing system upgrades or modifications. In similar fashion, any manufacturing entity producing a product that does not impede the operations of the airport by structure or emissions (smoke, steam, etc.) would also be a good neighbor to the facility, and fit well into the light industrial environment around the Airport.

When recruiting manufacturing entities, priority should be given to those entities that best compliment the adjacent environment of the airport. Aviation or aviation related goods or services first, and general manufacturing that is compatible with the airport environment second. This represents the application of a policy of “the highest and best use of available land” when targeting new development.

- **Office Park Development:** A small office park development may be an appropriate development opportunity as the Airport grows. Many firms that transit into and out of the Marana and Tucson area might see the benefit of a local office presence near the airport.

Additionally, other industrial park operators, aviation and non-aviation alike, may benefit from the ability to extend management and operations controls over their enterprises from a local office. Training facilities, reservations centers, and research facilities can all be accommodated in an office park development. High-tech firms that specialize in electronics, component development, communications, and other similar disciplines that may require a combination of office/engineering space, and small warehousing or light manufacturing space can be strong candidates for a modified office park as well.

The diversity of businesses that can be accommodated in a properly designed office park/light industrial park will give the Town of Marana a great deal of flexibility when placing new entrant high-tech, engineering, or light manufacturing businesses desiring to relocate to the community.

- **Educational Facilities:** When considering compatible land uses on and around an airport, facilities like schools, hospitals, and churches sensitive to noise or other impacts generated by an operating airport are conspicuously absent. One exception to that rule would be an educational facility associated with flight training or other aviation pursuits that would benefit from a location adjacent to an airport.

The prospect of the Marana Regional Airport hosting an auxiliary element of an aeronautical school or university is worthy of consideration if the prospect were to materialize. Other opportunities may be found in several Vocational Educational schools as well, where the airport's industrialized environment is not a detriment to the course of study.

- **Restaurants and Retail Opportunities:** The Marana Regional Airport currently has one restaurant on site, the Sky Rider Café, located at the main entrance to the facility. Business is drawn from both the airport clientele and the local community. No other restaurants or retail facilities exist on the airport now. However, as future development occurs it is possible that demand will allow additional food service or catering operators to enter the market. Additionally, development of a gift shop or other small retail establishments may be appropriate as the airport develops.
- **Flight Museum:** Several vintage aircraft are usually present on the Marana Regional Airport, and others are occasionally brought in for refurbishment or restoration. Whenever aircraft of special interest are on site such as the recently restored Super Constellation "Columbine," which served as the first "Air Force One" for President Eisenhower, the Airport usually publicizes the event to help raise public awareness of the Airport's function.

6.10.3 QUALITATIVE ANALYSIS

Potential exists for developing each of the target markets listed above. However, pursuit of these opportunities should take place within a well-structured understanding of what businesses can be accommodated in what areas. For example, aircraft services can be anchored in any of the three development complexes on the airport depending on the market they serve. FBO services for corporate aviation may best be developed in the Corporate Development Complex, while existing FBO services continue to service smaller general aviation in the General Aviation Complex. Heavy maintenance may occur in either the Corporate Development Complex or the Specialty Aviation Services Complex depending on circumstances and target market.

Facility developments such as air cargo or package services may require both an airside and a landside component. The airside component would require aircraft parking and servicing, and the landside component could house a package sorting facility with access to the airside for loading and unloading aircraft. Terminal buildings, flight schools, and charter operators would also need facilities and locations with both landside and airside access.

Non-aviation landside businesses such as restaurants, retail facilities, offices, museums, educational and training facilities do not necessarily need direct access to the airside to function, and can be accommodated on the landside, or outside the Airport Operations Area (AOA) fence portion of the airport.

Adjacent off-airport development for businesses and industries that may benefit by being located close to the airport, but do not normally require direct airside access, may represent the majority of development opportunities. This immediate adjacent industrial zone can accommodate numerous opportunities for development for everything from manufacturing entities, office parks, transportation and logistics companies to specialty educational and training facilities.

When planning in all its various configurations, it is also important to understand the limits of Marana Regional Airport's current infrastructure. Many taxiways and apron areas must be upgraded to accommodate heavier aircraft traffic. Likewise, utilities, water, and sewer systems must be expanded and upgraded to accommodate the proposed large-scale growth, and electrical and communications systems expanded and extended to meet future demand. It is important that each new development be placed in a designated area where it is appropriate and functions best, in unison with similar trades and developments around it. As the necessary infrastructure is upgraded and improved, and each zone is appropriately developed, this approach will create a balanced business and operating environment for all.

CHAPTER 7

Chapter 7 – Marana Regional Airport Financial Analysis

7.1 INTRODUCTION

Proper execution of an airport's fiduciary responsibilities is a key factor in the long-term success of an airport and its operation. Additionally, under the Federal Aviation Administration's Airport Improvement Program (AIP) certain grant assurances such as Airport Sponsor Assurance No. 24 apply, and the FAA requires that any Airport Improvement Project (AIP) funded airport be as financially self-sustaining as possible given the circumstances that exist at the airport. The development and implementation of an airport business plan provides the opportunity for Airport Director's and policymakers to demonstrate that fiduciary responsibilities and the requirements of the FAA are being taken seriously. An airport's financial statements, budgets, and other performance measures are considered essential tools for achieving goals and realizing the mission and vision for the airport.

In recent years, the Marana Regional Airport has maintained a modest annual budget providing airport management, operations, and basic maintenance services necessary to meet the facilities obligations. Federal grants had been interrupted for a number of previous years, but eligibility has now been restored, and the Airport continues to move forward with the funding of essential projects necessary to the airport's long term operations.

The majority of capital projects are funded by and the State of Arizona Department of Transportation's (ADOT) grants and programs, with required matching funds coming from the Town of Marana. Consequently, even with state and federal assistance, the Airport has numerous high-priority capital projects that should be addressed in the immediate future for the facility to keep up with market demand.

As noted in the 2016 Draft Marana Regional Airport Master Plan, the composition of aviation services in demand is changing. Traditional airport traffic consisting of small to mid-sized single and twin-engine aircraft is beginning to subside slightly, while activities from larger corporate jet traffic appears to be on the verge of a major upswing. These activities are expected to translate into demand for higher volumes of fuel sales, maintenance services, and associated facilities within the next few years. Additionally, this surge in heavier aircraft traffic is expected to impact the Airport's runways, taxiways, and parking facilities as aircraft that exceed the current load bearing capacity of these pavements begin to utilize Marana on a regular basis.

All of the factors described above drive the need for essential capital projects such as runway, taxiway, and parking apron rehabilitation and/or strengthening, new fuel facility development, and general infrastructure upgrades. Since many of these capital projects may be necessary to the Airport's development sooner rather than later, the Airport will need to work with the FAA, ADOT, and perhaps others to evaluate sources of funds and priorities necessary to accomplish critical work in time to meet the demands of new business.

As the Marana Regional Airport moves into the next phase of its development, airport and Town officials have upgraded various aspects of its financial structure, and begun evaluation of a comprehensive financial program necessary to meet demands of future development and operation.

7.2 FINANCIAL OVERVIEW

7.2.1 HISTORIC AND CURRENT AIRPORT BUDGETS

Since 2013, annual budget figures for the Marana Regional Airport indicate an incremental increase in airport operating costs. This is due to a number of factors including an increase in annual costs of goods and services, the addition of operations personnel, a rise in contracted service needs, and other associated costs. As noted in the Capital Outlay columns of **Exhibit 7.1** - Marana Regional Airport Budget Summary, the Airport began to engage in Federal and State funded capital projects again, and grant monies received are reflected in those figures. Overall, since 2013 the base budget for operation of the Airport has increased approximately 61%, excluding capital outlay figures that represent grant funding received. On the contrary, the base budget for operating the Airport today is still slightly under \$410,000 annually, which is a conservative figure for operations of a facility the size and complexity of the Marana Regional Airport.

Marana Regional Airport- Expense Summary				
Expenditures by Category	FY2013 Actual	FY2014 Actual	FY2015 Actual	FY2016 Budget
Personnel & Benefit Costs	\$132,310	\$148,762	\$153,292	\$240,458
Contracted Services	\$66,805	\$60,880	\$249,256	\$94,988
Operating Supplies & Equipment	\$55,279	\$64,678	\$48,449	\$71,900
Capital Outlay	0	0	\$80,966	\$2,791,143
Other Financial Uses	\$924,527	0	0	0
Total by Category	\$1,178,921	\$274,320	\$531,963	\$3,198,489
*** Source: Town of Marana Annual Budget & Financial Plan – 2015/2016				
Marana Regional Airport – Revenue Summary				
Enterprise Funds Revenue - Airport	\$258,179	\$285,662	\$154,084	\$2,937,313
Total	\$258,179	\$285,662	\$154,084	\$2,937,313
*** Source: Town of Marana Annual Budget & Financial Plan – 2015/2016				

Exhibit 7.1 – Marana Regional Airport – Expenses Summary

As indicated in the Marana Regional Airport revenue summary shown above, annual revenues generated by the Airport have not always kept up with expenses. The Airport's general revenue outlook is expected to improve as larger jets frequent the airport on a more regular basis, and as new airport tenants locate to Marana. Nonetheless, a backlog of capital projects, increasing costs of repairs and operations, and an urgent need to upgrade facilities to accommodate new business will also translate into increased expenses for the airport in the near future.

7.2.2 SOURCES AND USES OF FUNDS

The Marana Regional Airport is an Enterprise Fund under the Town of Marana. A major portion of revenues necessary to its annual operations are generated by airport services, rents, and other contractual revenue sources. The Airport also receive monies from the Town of Marana General Fund as necessary to its operation, subject to the financial processes and approvals of the Town. Major capital improvement or planning projects are traditionally funded by appropriate grant programs from the FAA or ADOT's aviation fund. In the case of ADOT, project assistance can come in the form of grants, or the State's airport pavement maintenance program for specific runway, taxiway, or apron area pavement preservation projects.

7.3 PROJECTED REVENUES

Projection of future revenues for the Marana Regional Airport is based on several factors including estimates of future aircraft activity, fuel sales, and associated revenues from services and leases. Additionally, not all future revenues will go to the airport. Most fuel sales and associated services revenues will go to the Airport's FBO and service providers. The airport will however collect additional fuel flowage fees because of increased fuel sales, along with any applicable percentages of gross sales, and parking fees when aircraft utilize the public areas.

Over the last four years, basic airport revenues have averaged approximately \$250,000 annually, excluding grant funds or other outside funding dedicated to specific CIP projects. It seems reasonable to assume that direct airport revenues could increase approximately 20% in the near term to approximately \$300,000 annually. To achieve this additional revenue flow, we assume a number of things will happen:

- The FBO will increase its fuel storage capacity, and acquire a greater share of the corporate aircraft fueling business, approximately doubling its fuel sales over the next five years. Many corporate aircraft today "Tanker" or carry extra fuel into and out of Marana because fuel is cheaper elsewhere.
- New businesses such as flight schools and technical service companies to service the corporate aircraft fleet and others will locate on the airport.
- New hangar and land leases for business will be developed over the next five years that will be marketed at fair market value compared to other airport's and similar lands in the region.

If the development as described above occurs in the next five years, this will represent a modest growth trend for the Marana Regional Airport. These factors will also represent a marked increase in corporate aircraft operations, much higher fuel sales, and a small increase in airport tenants and businesses. While the additional revenue to the airport sponsor may only total and additional \$100,000 or so annually, total new revenues to airport businesses will likely increase by several million dollars annually.

Opportunities for the Airport to improve its annual revenue picture will also increase over the long-term in a number of areas. More aircraft operations in the future translates into more service fees, and

higher fuel and related commodity sales. Future development will also increase land lease revenues and related developmental revenues.

7.3.1 FUEL SALES

The current fuel flowage fee generates approximately \$43,000 annually. As the corporate market grows, and the FBO adapts to capture more of the available corporate fuel market at Marana, it is not unreasonable to project a million gallons in annual fuel sales. That would translate into \$100,000 in annual fuel flowage to the Airport.

7.3.2 LAND LEASE AND OPERATING FEES

Over the long-term, the Airport has a great deal of development potential in the areas of hangar development, terminal development, new business and office development. It is unlikely that the Airport or the Town will engage in direct development and construction of these facilities. Most airport's tend to be in the "land business," which encourages appropriate land leasing options for facility developers and others wishing to locate on the airport. Leasing rates should be tied to fair market value, and duration of lease terms structured to allow recovery of investment and operation appropriate to each type of business.

7.3.3 GENERAL SERVICES

The Marana Regional Airport provides several services to the flying public directly. Aircraft parking fees, special event accommodations, long-term storage services, and a variety of other call out services are charged as needed. The Airport updates its rates and charges structure on a regular basis to assure that Marana remains competitive with other similar facilities in the region. The Airport should continue to remain current with all its rates and charges to cover as much of the airport overhead cost of operations as possible.

The Marana Regional Airport appears to be experiencing the development of a new market in the corporate aircraft realm. Other opportunities for development appear to be present as well. It appears that circumstances may change rapidly, making it difficult to accurately forecast new revenue in the short-term. However, it appears reasonable to assume that the Marana Regional Airport can likely raise its base annual revenues from an average of \$250,000 annually today to \$350,000 or more within the next five years.

7.4 PROJECTED OPERATING COSTS

Operating costs should be expected to continue to rise over the short-term as well. Inflation, employee salaries and benefits, costs of utilities, insurance, and other routine costs seem to increase at 3 percent to 5 percent annually over recent years. Fuel costs can be a lot more volatile, but have remained reasonably steady over the last few years, only recently beginning to climb again in 2016. Maintenance costs tend to rise slowly each year as well, as costs of materials and supplies grow.

The real exposure for the Marana Regional Airport is the immediate need for accomplishing certain capital programs in the near-term. Many taxiways and apron areas critical to current airport operations are badly in need of repair. While most are eligible for FAA or State grants, the airport is still catching up after several years of inactivity, and funds are not yet available to address all issues. Additionally,

the recent increase in corporate aircraft activity will very likely increase the deterioration of some of those same areas of pavements. If they fail before rehabilitation or reconstruction can be accomplished, some of the Airport's new business may be at risk.

In general terms, most of the Airport's projected operating costs will continue to grow somewhere between 3-5 percent annually. However, costs for the maintenance or rehabilitation of critical portions of the airfield that may be prone to failure in the near-term could cause an unexpected spike in the Airport's cost of doing business.

7.5 PROJECTED CAPITAL COSTS

The Marana Regional Airport Master Plan Update indicates a comprehensive capital program necessary to meet FAA standards and promote the safe and efficient operation of the facility. The Strategic Business Plan indicates additional capital projects that will be necessary in the mid-term, five-to-ten years from now, to accommodate the heavier jet fleet traffic that is beginning to materialize now. The overall CIP shown in the Marana Regional Airport Master Plan Update totals **\$35,137,000** in various capital projects over the next twenty years. These projects are phased in five (short-term), ten (mid-term), and twenty (long-term) year increments, and generally accomplished in order of priority as funding becomes available. Currently the total projected outlays for capital projects are indicated as follows: Short-term projects **\$4,122,500**; Mid-term projects **\$28,797,500**; and Long-term projects **\$2,217,000**.

In addition to the capital projects identified in the Airport Master Plan Update, the Business Plan anticipates additional airport project needs based on its assumptions of additional and heavier aircraft traffic in the near-term because of new business practices and marketing programs. Specifically, it identifies a need to strengthen the full length of Taxiway "A" and the east corporate parking aprons that will be impacted by the initial increases of heavier corporate jet traffic over the next few years.

The Business Plan anticipates that these projects will be needed in the mid-term of the current planning horizon, or within the next five- to ten-year time frames. The approximate costs for these projects total approximately **\$6,000,000**, depending on final configurations. Therefore, it appears that the Airport should plan for a total CIP of approximately **\$41,137,000** over the next twenty years in order to appropriately accommodate current needs and projected growth.

Total CIP from Master Plan Update = **\$35,137,000**

Total Recommended Business Plan Projects = **\$6,000,000**

Total = **\$41,137,000**

7.6 COSTS, PHASING AND PRIORITIZATION OF CAPITAL PROGRAMS

The current Marana Regional Airport CIP from the Master Plan Update is shown below in **Exhibit 7.2** in order of priority, along with associated costs, and phasing.

Exhibit 7.2 – Marana Regional Airport Capital Improvement Program and Priority

Phase I, Short-term Development		Total	FAA Share	State Share	Local Share ¹
A1	Demolition of itinerant aircraft parking apron (RVZ portion)	\$65,000	\$59,189	\$2,906	\$2,905
A2	Construct aircraft parking apron – Phase 1 (RVZ replacement)	\$1,005,000	\$915,153	\$44,924	\$44,923
A3	Demolition/removal of Taxiway connectors A2 and B2	\$30,000	\$27,318	\$1,341	\$1,341
A4	Runway 12-30 MIRL upgrade – LED fixtures	\$325,000	\$295,945	\$14,528	\$14,527
A5	Runway 3-21 MIRL upgrade – LED fixtures	\$200,000	\$182,120	\$8,940	\$8,940
A6	Taxiway lighting upgrade – Phase 1 (Taxiway A & connectors)	\$505,000	\$459,853	\$22,574	\$22,573
A7	Taxiway lighting upgrade – Phase 2 (Taxiway B & connectors)	\$300,000	\$273,180	\$13,410	\$13,410
A8	Demolition/removal of hangar #6	\$65,000	\$59,189	\$2,906	\$2,905
A9	Demolition/removal of hangar #20	\$75,000	\$68,295	\$3,353	\$3,352
A10	Construct additional vehicle parking lot – Phase 1	\$125,000	\$113,825	\$5,588	\$5,587
A11	Construct aircraft shade structure	\$135,000	\$0	\$0	\$135,000
A12	Runway 3 displacement; install REILs	\$50,000	\$45,530	\$2,235	\$2,235
A13	Land acquisition – Phase 1 (approx. 125 acres)	\$562,500	\$512,213	\$25,144	\$25,143
A14	Airport Drainage Study	\$200,000	\$182,120	\$8,940	\$8,940
A15	Install perimeter fencing – Phase 1	\$55,000	\$50,083	\$2,459	\$2,458
A16	Replace Runway 12-30 PAPIs/REILs; Replace Runway 3-21 PAPIs	\$350,000	\$318,710	\$15,645	\$15,645
A17	Replace rotating beacon and tower	\$75,000	\$68,295	\$3,353	\$3,352
Total Short-term Development Cost		\$4,122,500	\$3,631,018	\$178,246	\$313,236
Phase II, Medium-term Development		Total	FAA Share	State Share	Local Share ¹
B1	Construct aircraft parking apron – Phase 2	\$465,000	\$423,429	\$20,786	\$20,785
B2	Construct additional T-hangars and apron (East Hangar Apron)	\$660,000	\$0	\$0	\$660,000
B3	Construct additional vehicle parking lot (East Hangar Apron)	\$110,000	\$0	\$0	\$110,000
B4	Construct corporate terminal building (East Apron)	\$20,000,000	\$0	\$0	\$20,000,000 ²
B5	Install aircraft fuel facility (East Apron)	\$500,000	\$455,300	\$22,350	\$22,350
B6	Construct airport maintenance facility/ARFF facility	\$750,000	\$0 ³	\$0	\$750,000
B7	Construct air traffic control tower and parking lot/access road	\$3,000,000	\$2,731,800	\$0	\$268,200
B8	Construct additional T-hangars (West Hangar Apron)	\$600,000	\$0	\$0	\$600,000
B9	Construct on-airport access road/parking lot to specialty aviation services complex	\$1,300,000	\$0	\$0	\$1,300,000
B10	Reconstruct Taxiway C to 25 feet wide; install MITL and signage	\$460,000	\$418,876	\$20,562	\$20,562
B11	Construct taxilanes for additional box hangars (adjacent to West Hangar Apron)	\$375,000	\$341,475	\$16,763	\$16,762
B12	Construct Runway 3-21 partial-parallel taxiway – Phase 1	\$380,000	\$346,028	\$16,986	\$16,986
B13	Install perimeter fencing – Phase 2	\$85,000	\$77,401	\$3,800	\$3,799
B14	Land acquisition – Phase 2 (approx. 25 acres)	\$112,500	\$102,443	\$5,029	\$5,028
Total Medium-term Development Cost		\$28,797,500	\$4,896,752	\$106,276	\$23,794,472

Phase III, Long-term Development		Total	FAA Share	State Share	Local Share ¹
C1	Runway 21 extension (1,608 feet); install lighting & signage; Construct Runway 3-21 partial-parallel taxiway – Phase 2	\$1,300,000	\$1,183,780	\$58,110	\$58,110
C2	Construct Runway 3-21 partial-parallel taxiway – Phase 3	\$650,000	\$591,890	\$29,055	\$29,055
C3	Relocate/install new wind cone and segmented circle	\$150,000	\$136,590	\$6,705	\$6,705
C4	Land acquisition – Phase 3 (approx. 26 acres)	\$117,000	\$106,541	\$5,230	\$5,229
Total Long-term Development Costs		\$2,217,000	\$2,018,801	\$99,100	\$99,099
TOTAL DEVELOPMENT COST		\$35,137,000	\$10,546,571	\$383,622	\$24,206,807

Note. All costs are calculated in 2016 dollars and are for planning purposes only. Assumes 91.06 percent funding for FAA AIP eligible development and 4.47 percent funding for State eligible development (with 4.47 percent match by Sponsor (Local)); if State funding is not eligible, Sponsor's share is 8.94 percent. Some eligible projects may be funded without FAA participation, in which case the State funding share is 90 percent and the sponsor's share is 10 percent. Funding for eligible projects, regardless of FAA or State participation, is not guaranteed and is subject to funding availability.

¹Local share may include sponsor funds and/or private development funds. ²According to FAA Order 5100.38D, *Airport Improvement Program Handbook*, general aviation airports may use their non-primary entitlements on a terminal building. ³The airport is currently not Part 139 certificated, thus it is not required to have an ARFF facility. Should the airport become Part 139 certificated in the future, the FAA may fund a portion of the ARFF facility. Source: Armstrong Consultants, Inc., 2016

Exhibit 7.3 – Additional CIP Projects Recommended by Strategic Plan

Project	Description	Estimated Cost
Overlay East Corporate Area Apron	Overlay and strengthen taxiway to accommodate heavy corporate aircraft	\$2,400,000
Overlay Taxiway "A" Full Length	Overlay and strengthen to accommodate heavy corporate aircraft	\$3,600,000
TOTAL		\$6,000,000

7.7 OVERVIEW OF POTENTIAL FUNDING SOURCES

7.7.1 OPERATIONAL SOURCES OF FUNDS

The Marana Regional Airport collects fees for many direct services to its based and transient customers, including parking, tie-down, or hangar fees, Special Aviation Service Organization (SASO) and various commercial business fees, and fueling fees and permits. The compilation of all such direct fees constitute the Marana Regional Airport's Rates and Charges Structure, as updated and amended to reflect current markets.

In December of 2015, a limited regional Rates and Charges Survey was initiated to determine if the Marana Regional Airport's current rates and charges were competitively established and adequate. This survey was conducted in accordance with the guidance provided in FAA Advisory Circular – Airport Compliance Manual Order 5190.6 B. That survey reviewed existing airport fees and compared the results with a survey of similar airports to identify Marana's overall market position, ascertain the adequacy of the airport's fee structure, and recommend where improvements may need to be considered.

The key objective of this survey was to analyze rates and charges at comparable airports in the region, and provide a "snap shot" of the fee structure from those airports with similar operations. It allowed

Marana to gauge its existing rates and charges and aid with the establishment of future rates within the context of the airport's market environment. It should be a goal of the Airport to re-evaluate its Rates and Charges structure on an annual basis to maintain a competitive position in the market.

The revenues derived from such direct airport charges are generally applied as an offset to its expenses and costs of operation. If revenues are sufficient, they can also be applied against local share requirements for State and FAA grants. The amount of revenue the Marana Regional Airport receives from this category of funding varies from year to year depending on the amount and type of aviation traffic that frequents the facility, and the number and type of other special events that may occur during that year.

A breakout of the latest Marana Regional Airport Rates and Charges structure is detailed in Appendix C at the end of this document.

7.7.2 NON-OPERATIONAL SOURCES OF FUNDS

In addition to operational revenue sources such as landing fees, parking fees, operating agreements and leases, airport's generally must look to non-operational funding sources to support its capital improvement programs. Non-operating sources of funds typically come from external sources, are not debt related, and are not directly related to the use of the airport or the leasing of airport land, improvements, and facilities. Some specific examples of non-operating sources of funds include the following:

Federal Grants - Federal grant funding is available to support the purchase of land; the development, major maintenance or repair, and replacement of airside infrastructure, improvements, and facilities; the purchase of airside maintenance vehicles, equipment, and tools; and airside planning efforts. The most common source of federal funding is provided through AIP. Any public-use general aviation airport included in the NPIAS is eligible to obtain grant funding that can cover a substantial portion of eligible costs. The FAA's authorizing legislation delineates the total number of funds available through AIP, the classification and distribution of such funds (e.g., entitlement, set aside, or discretionary), and the extent of matching funds required.

State Grants – In the State of Arizona the Arizona Department of Transportation (ADOT), has an intermodal transportation department dedicated to overseeing the state's transportation systems including airport's. Such departments may have funds that can be used as matching funds or supplements to AIP funds. The types of projects eligible for state funding vary but may include landside roadways, vehicle parking lots, utility infrastructure, street lighting, or general aviation terminal buildings. Furthermore, projects focused on airport operations, such as the development of primary planning and guiding documents, and revenue-generating improvements, such as hangars and fuel storage facilities, may also be eligible.

Taxation and Government Subsidies - In many cases, general aviation airport's receive subsidies from the airport sponsor to cover operating deficits or provide matching funds required to receive federal and state grants. Some airport's may also receive subsidies from other municipalities or counties that benefit from the presence of the airport. The Marana Regional Airport receives support from the Town of Marana for matching funds and other resources as appropriate.

Some general aviation airport's receive funding through property taxes, both directly and indirectly. An airport may be granted direct taxing authority through state legislation when a stand-alone entity, such as an airport authority, is established to own and operate an airport. In other situations, airport's may indirectly benefit from the taxing authority of the airport sponsor, such as a municipality or county, when a portion of the taxes collected by the airport sponsor are designated for the airport.

Investment Income - Investment income is associated with interest or gains directly tied to the investment of airport funds. Currently this study has not identified any direct airport resources available for outside investment. However, the Town of Marana may pursue such investments from time to time as circumstances warrant.

Donations - While less common, private donations may also be a source of funding. Donations can be used as matching funds to help secure a grant or as capital for projects, vehicles, equipment, tools, and materials that may not be eligible under federal and state grant programs.

Sale of Surplus Assets - An airport's vehicles, equipment, tools, and other capital assets should be evaluated periodically to identify items that may no longer be needed, are beyond useful life, or have become obsolete. Such assets should be sold in accordance with airport policies and procedures. The sale of surplus assets may require the reimbursement or reinvestment of the federal or state share of grant monies used for the initial acquisition.

Debt Financing - Long-term loans are typically used to finance the acquisition of land; the purchase of vehicles, equipment, or tools; and the development of infrastructure, improvements, or facilities not eligible for grant funding. Short-term loans or lines of credit are typically used to supplement working capital to cover operating expenses during cash flow short falls. The Marana Regional Airport has no capacity to incur debt directly, but the Town of Marana does in its capacity as the airport sponsor.

Bonding - Various bonding mechanisms can be used to raise funds for projects not eligible for grants. A general obligation bond is typically backed by the general tax revenues of the airport sponsor. However, the airport's revenue stream, not the tax revenues of the airport sponsor or revenues specifically associated with the bonding project, is typically used to service the debt associated with revenue bonds. Special facility bonds can be used to fund the development of a single or multi-tenant facility and the revenue generated through leasing the facility can then be used to service the debt.

7.8 FUNDING CONSIDERATIONS

All of the funding resources listed may be available to the Marana Regional Airport through its sponsor, the Town of Marana. Consequently, a number of considerations are involved in making the proper selection of a funding mechanism for specific projects or applications on the airport.

The primary funding source for eligible airport projects are the FAA AIP and the Arizona ADOT-Aeronautics grants in aid programs. These grants are specifically designed for airport planning, design, and construction projects, and together they usually pay approximately 90-95 percent of an eligible projects cost.

The sponsor is responsible for matching the remaining 5-10 percent of project costs. These programs are limited by the fact that total grant monies available may be limited in any given year, and grants are awarded on a priority basis. However, the FAA AIP and ADOT- Aeronautics grant programs represent

the best and most efficient use of the sponsors available money, and should be utilized first whenever possible. Matching funds may be drawn of any of the airport's operational revenues as available, or otherwise provided by the Town of Marana.

Some special projects that may not be eligible for FAA or ADOT funding could be financed utilizing debt financing, or medium- to long-term loans. In these circumstances the "cost of money" including total interest and other related charges associated with a loan package is the primary consideration. Municipalities may be eligible for low interest loans, and it is clearly in the best interest of the Town and Airport to "shop" such available loan programs to locate the best deal.

Bonding is another vehicle that can be especially useful for medium- to long-term money. Often times the best deals in the current bond market are dependent on current interest rates, the available bond rating that can be obtained for the project or program, and the current market interested in purchasing such bonds. This is another area where the available market should be analyzed to determine the "cost of money," and the best bonding vehicle available for a particular program.

Other funding considerations including donations, and sales of surplus equipment are also available to the Airport and Town to fund future improvements. Usually these sources are relatively small in comparison to other funding sources. Anything that assists the airport with achieving its matching fund requirements for grants, or otherwise contributes to the available money necessary for projects should be considered.

The current identified CIP infrastructure and development projects needed for the Marana Regional Airport total in the millions of dollars. The Marana Regional Airport should utilize federal and state funding opportunities wherever possible. In some instances, certain infrastructure projects both on and off the airport may not be eligible for grant funding, or such funding may not be available on a timely basis. These cases may be addressed with longer term bonding opportunities, and satisfied with future revenues from the Airport and Town.

CHAPTER 8

Chapter 8 – Implementation and Action Plans

8.1 INTRODUCTION

Previous chapters have explored the Airport’s business history, its financial status, and evaluated current and potential future markets. As part of that process, goals and objectives were developed and prioritized to meet the demands of the future. Logical next steps call for the development and execution of specific action plans for each of the stated goals to move the airport forward on its infrastructure and business development track.

This Chapter will address those previously developed goals, and outline the required actions necessary for proper implementation of each. Responsibility for execution of specific action plans will also be assigned and coordinated.

8.2 GOALS AND ACTION PLANS

A total of eight primary goals were developed for the Marana Regional Airport and prioritized in order of importance from one to eight. It is important to note that the current position of the airport will require that many of these goals be pursued simultaneously in order to meet future market demand. Responsibility for taking required actions to meet these future goals will be divided among numerous individuals and departments within the Town, and must be coordinated with each other to effectively address market demands. A summary of each goal and associated action plan is as follows:

Priority 1 - Develop new comprehensive marketing plan for the Marana Regional Airport.

The working committees of the Strategic Airport Business Plan felt that the immediate development of a new airport marketing plan was necessary for the identification and recruiting of new future business operators at the airport. Such a plan should identify critical aviation businesses and trends that can be accommodated on the Marana Regional Airport, and outline a plan of action to contact and recruit those businesses operators that might take advantage of specific future opportunities in Marana.

Action Plan:

An airport marketing plan is not within the scope of this current Strategic Airport Business Plan, but should be developed as a separate effort. The Town of Marana already has certain marketing resources within its Economic Development and Tourism departments, and those should be coordinated within the new airport marketing plan. Specifically, a new airport marketing plan should include several objectives:

- The marketing plan should include recognition that airport business is closely tied to other general businesses, opportunities, and attractions within the Town of Marana and the surrounding region; the airport fills an important transportation link necessary to the general economic health of the area.
- The marketing plan should target specific portions of the aviation market that have shown potential for growth, and require the services and capabilities that Marana has to offer. Currently there is an identified corporate aircraft market that appears to have a strong

growth potential, and is tied to high-end resorts and other attractions in Marana. Other aviation service opportunities exist as well.

- A firm familiar with the economic conditions and drivers of the Town of Marana, and the aviation operational requirements of the Marana Regional Airport, should be contracted to develop the new marketing plan. An effective plan will need to be more than a standard community marketing approach; it will entail a thorough understanding of the Town's economy, opportunities, and direction, and an understanding of the Marana Regional Airport's operational capabilities and development potential. Furthermore, a comprehensive marketing plan will need to merge the requirements and attributes of both entities to present a complete picture of the community to potential future clients.
- As part of the process for developing Request for Proposals (RFPs) and acquiring a marketing firm, both the Airport and Economic Development Department need to occupy key roles in its development. The Airport Director will spearhead the process by providing relevant information as to the capabilities and development direction of the airport, and the Economic Development Department will provide information pertaining to current economic trends and attractions within the Town and region. Each of these departments can also provide lists of appropriate economic development targets and companies to be analyzed and approached within the new marketing plan.
- At a minimum, a new marketing plan should address the following six points:
 - What are the **marketing goals**?
 - Who are **the target audiences**?
 - What is **the message** the airport intends to communicate?
 - What **methods of communication** will the airport use to reach its audience?
 - What **staffing and financial resources** will support the effort?
 - How will the airport **measure success**?
- Upon receipt of the completed marketing plan, airport management and economic development should divide implementation responsibilities and execute the plan immediately.

Priority 2 - Improve working and political relationships with federal, state, and local funding agencies.

The Strategic Airport Business Plan Committee believes improved relationships begin by building a positive image of the Marana Regional Airport and the Town Marana by maintaining high standards of conduct and fiscal responsibility. Improvements in local standards and operations, followed by political outreach and partnering with the various federal and state funding agencies, will improve working relationships and opportunities for future funding initiatives. The priority of this goal needs to be pursued concurrently with all initial goals as it is basic to the long-term success of the Airport.

Action Plan:

The Town of Marana and the Airport can improve their status in the eyes of federal and state funding agencies in a number of ways, such as improving communications, conducting regular meetings to share information and developments, requesting guidance on regulatory issues, and working within the system. Some recommended actions include:

- Familiarizing the upper levels of Town government with federal and state regulations pertaining to airport operations, development, and funding.
- Additionally, including appropriate members of upper management in meetings with the FAA or State will promote a more thorough understanding of the processes involved, and show commitment by the Town to be involved and work with those agencies on critical funding and project issues.
- Ongoing networking efforts between Town and Airport Director at local and regional conferences like the Arizona Airport's Association, and regional Federal Aviation Administration conferences help keep an informed familiarity with issues between airport owners and federal and state agencies.
- Working with congressional delegates and other political bodies to educate and highlight the operational and development issues of the Marana Regional Airport, and to garner their support where needed, should be an ongoing exercise.
- Seek guidance and concurrence from FAA and ADOT when developing Capital Improvement Programs or other planning and development activities. An open discussion of the pros and cons of a program or project can streamline the effort and allow the agencies to better understand the issues involved and provide better direction.
- Airport Director should always be pro-active when dealing with federal or state agencies on funding or regulatory issues. It is important that the airport's voice be heard. This also gives the airport the opportunity to see and be seen when new issues arise, and to better understand any related impacts.
- In general terms, airport management needs to stay informed about the evolution of regulations and procedures in our government bodies, and cultivate relationships within those organizations that can aid the airport in dealing with such changes as they occur.

Priority 3 - Identify new funding opportunities for infrastructure improvements.

Traditional federal and state funding sources utilized in past years are insufficient to meet the timing of future required infrastructure development. As such, additional funding sources must be identified to accomplish required infrastructure upgrades necessary to accommodating future growth and development of the airport. Current infrastructure concerns will be one of the biggest impediments to the successful growth and future development of the Marana Regional Airport. Potential solutions should be investigated and implemented as soon as possible.

Action Plan:

A relatively recent shift to much heavier corporate aircraft has been occurring at the Marana Regional Airport for the past several years. These aircraft typically weigh far more than the existing airport runway, taxiway, and apron areas were designed for. As traffic continues to increase from one year to the next, this situation is contributing to accelerated pavement failure in those areas. This process can also result in future safety issues and danger to aircraft as the deterioration becomes worse.

The solution is to repair and strengthen those taxiway and apron surfaces, and the primary runway, to support the forecasted levels of future traffic, and install other infrastructure improvements as necessary to ensure the safety of operations. Unfortunately, current levels of state and federal funding are insufficient to address all of the issues over the near-term, and a reorganized approach to available funding is required. Future actions could include:

- Keeping the FAA apprised of the growing numbers of heavier aircraft, especially when the types and number of aircraft near the trigger point for upgrading the Airport’s “critical design aircraft.” A potential change in the critical aircraft may make the airport eligible for additional funding to upgrade certain infrastructure and strengthen pavements.
- Meeting with the FAA and ADOT to discuss current project priorities and funding opportunities in the near-term to address infrastructure needs. Opportunities for new or expanded funding opportunities should be discussed, and any applicable special programs that would improve the Airport’s overall funding picture in the short-term should be explored.
- Certain building infrastructure projects may lend themselves to public-private partnerships. The viability and availability of such partnerships should be explored as a way to share the burden of future costs associated with development.
- The State of Arizona should also be approached via ADOT to ascertain the availability of special grants or Airport Pavement Management Systems (APMS) programs that could be accessed for infrastructure improvements.
- In critical situations where lack of immediate development resources threatens to slow or halt airport development, the Town may wish to consider other measures such as special tax levies, or bonding for specific projects.
- The Town of Marana’s Financial Department should be consulted to determine if other financial resources from federal, state, or regional sources can be brought to bear on behalf of airport infrastructure projects.
- The Airport should continue to maintain and update its Rates and Fee’s structure and remain as self-sufficient as possible utilizing fees from services provided.

Priority 4 - Attract additional flight training operators and traffic to the Airport.

The attraction of additional flight training activities will increase utilization of the airport and related aeronautical services that support those activities. Under this goal the airport would seek to increase flight training activities in two ways. Under the airport marketing plan, the Airport would solicit the relocation of a new flight school to be physically based at the airport. Additional actions would include actively marketing other flight training centers throughout the state to utilize the Marana Regional Airport for their student cross country, instrument approach, and takeoff and landing destination. Each of these scenarios would have a beneficial effect on airport fuel sales, services, and operating fees.

Action Plan:

Utilizing the new Airport Marketing Plan, the airport should identify and reach out to established regional flight schools or startups that might be interested in locating their business on the Marana Regional Airport. This would be a multifaceted process that would include the following elements:

- Development of marketing proposals for flight schools that would be interested in relocating all or part of their operation to the Marana Regional Airport.
- Negotiating appropriate terms and conditions, building, hangar and land rents for a prospective flight school.
- Development of media for other regional flight schools or charter operators marketing the attributes and services of the Marana Regional Airport.
- Development of appropriate operating agreements for use of the airport.

Priority 5 - Pursue new joint air traffic control tower (ATCT) for the Marana Regional Airport and Pinal Airpark, or single tower for AVQ if a joint tower is not possible.

Potential conflicts exist between the Marana Regional Airport and Pinal Airpark traffic patterns that require coordination for safety. Currently there is a mix of visual (VFR) and instrument (IFR) aircraft traffic in close proximity utilizing the airspace between the two airport's, and UNICOM, and advisory radio frequency, is the only communication mode for area traffic today.

Action Plan:

The following actions are recommended to achieve the goal of establishing an area air traffic control (ATC) presence:

- Begin discussion with Pinal Airpark management to explore the possibility of a joint-action for pursuing an ATCT that would service both airport's. It is likely that a joint request for such service would provide a stronger case for approval by the FAA than a single airport.
- Involve State Representatives and Congressional liaisons in the process, educating them on the safety issues involved and garnering their support.
- Consult with the FAA as to the appropriate process for consideration of a new ATCT.

- Prepare the Airport’s case showing the necessity of positive air traffic control for safety and efficiency purposes. Include latest Airport Master Plan data indicating growth patterns and increased numbers of heavier and faster jet traffic.
- Gather support from airport user groups including local pilot organizations, corporate customers, flight schools and commercial operators, and local interested government and community groups.
- If a joint petition between the Marana Regional Airport and Pinal Airpark should not prove viable, then Marana should proceed on its own utilizing data from both airport’s.

Priority 6 - Pursue Markets that Differentiate Marana Regional Airport (AVQ).

This goal is intended to highlight the advantages of conducting business at AVQ, and provide a distinctive identity for AVQ based on the unique markets it serves.

Action Plan:

The key to achieving this goal and the message it delivers to prospective future clients should be outlined in the new Marketing Plan. Some examples of future AVQ markets include:

- Small general aviation based and transient aircraft markets; this includes small to medium sized single- and twin-engine aircraft and services.
- Larger corporate jet based and transient markets; this includes medium to large sized turbine aircraft and services.
- Heavy maintenance and aircraft refurbishing services.
- Superior Fixed Base Operation services.
- Development potential for business and aviation services complex.
- Strategic location for doing business in the greater Tucson area, flight training center, and convenient fuel stop.

The marketing message that Marana sends to prospective future clients should highlight each of these areas as appropriate, and brand the Marana Regional Airport as the best choice for regional aviation services.

Priority 7 - Build new AVQ Terminal Facilities.

This goal is based on the need to develop new or expanded FBO and passenger terminal facilities to accommodate future increases in executive traffic and passengers.

Action Plan:

An airport’s terminal building acts as a “front door,” or the first impression a visiting air traveler has of your community. Most communities want that impression to be a positive one which reflects the

style and nature of the community it serves. The Airport and community may choose to develop a new terminal facility in a variety of ways including:

- Private development by an FBO or outside developer. In this scenario, an FBO or other service provider would actually develop the site and construct the terminal building to meet its business needs. The Town may set standards for development, but the facility would then be owned and operated by a private enterprise.
- The Town may choose to design and construct a new terminal building. In this scenario, the design and construction costs would be provided by the Town, which in turn could sublease space to an FBO and other business tenant(s) appropriate to that location. This approach also allows the Town more control over “right-sizing” the building, and architectural aspects of the development.
- The Town of Marana may also choose a joint-venture, or engage in a public-private partnership with an FBO or other outside entity. The benefits of this approach include sharing the financial burden for development and having more control over design and tenancy issues.
- A terminal building development can be a lengthy process, and research on location, design, and capacity should begin at least a couple of years prior to necessary construction dates.

Priority 8 - Attract new specialty air service providers to the Marana Regional Airport.

This goal speaks to continued efforts to attract commercial air service in the form of air charter and air taxi services to Marana, to augment air access to the area.

Action Plan:

The Marana Regional Airport already provides excellent access to the community for general aviation and corporate aircraft customers. On the other hand, commercial charter and specialty air taxi operations remain an underserved market. The Airport should extend its marketing efforts to the commercial segment of the aviation community by offering the following:

- Develop marketing collateral to be distributed to regional air taxi operators within the State of Arizona to heighten the profile of services offered at Marana.
- Explore opportunities with specialty aviation operators such as charters, agricultural applications, firefighting support, and air show events.

Summary

As initially stated, the goals and action plans listed above have been shown in order of priority. However, several of these priorities need to be executed simultaneously to enable the Airport to move into a competitive position and meet on-coming demand in a timely manner.

Goals one, two, three, and five speak to the establishment of a comprehensive Marketing Plan, improvements in critical political relationships, and identification of expanded future funding opportunities, followed by safety enhancements that accompany the establishment of air traffic control facilities. These elements are critical to the operational viability of the Airport, and may require an extended period of time to be accomplished. As such, it is in the best interest of the Town and Airport to begin work on these goals simultaneously and immediately.

Goals four, six, and eight all speak to the development of additional aviation services and operators to expand the business base of the Airport. These goals are important and necessary to the appropriate future development of the airport. Work should commence in the near-term for development of each, keeping in mind that certain infrastructure developments must come first to accommodate new growth.

Goal seven is a long-term goal dealing with development of a new executive/corporate terminal building. It is important to identify a potential location, and explore the options for its development early on. However, the actual need for the facility is still several years away.

8.3 IMPLEMENTATION

After the research is done, all the data has been gathered, and the plan has been constructed, it's time to implement the plan and turn planning into reality. Planning documents placed on a shelf somewhere are not very effective. The Marana Regional Airport Strategic Business Plan is intended to be a living document reviewed and updated at least annually to address economic changes in the community and market. It serves as a roadmap of sorts to provide direction for obtaining the airport's goals, and should always be maintained with the most current information.

Additionally, many people will play an active role in the implementation of the Business Plan. Management from the Airport and Economic Development and Tourism departments may do much of the heavy lifting, but there are roles to play for many others within the structure of the Airport and Town as well.

8.3.1 PROPOSED DIVISION OF RESPONSIBILITIES

The Director of the Marana Regional Airport will be the primary focal point for implementing and following the guidelines of the Strategic Airport Business Plan. It is anticipated that the Town of Marana's Economic Development and Tourism department may also assist with the projection of the Business Plan where their activities involve the recruitment of businesses or industries that are to be placed on or adjacent to the Marana Regional Airport.

Aviation related activities such as recruiting new air services, attracting new general and corporate aviation customers, and the pursuit of new air traffic control facilities should occur under the general direction of the Airport Director.

Other pursuits involving improvements to relationships with federal and state agencies will include the Airport Director, but should also include higher level Town officials, and perhaps even state and federal representation from the congressional delegation as appropriate.

A major element of the Business Plan involves the identification of additional financial resources to fund airport infrastructure and development. The Airport Director should provide direction in such issues, often time in conjunction with the Town Manager of Finance, or other personnel versed in the topics at hand.

As a general statement, the Airport Director should provide direction for all actions necessary to achieve the goals of the Airport, supported by the various factions within the Town of Marana that can bring their specific expertise (political, economic, financial) to bear as appropriate to the issues at hand.

It is recommended that a standing Business Plan and Marketing Advisory Committee be established, utilizing members of the Airport and Town staff that can contribute to the ongoing implementation efforts outlined in the Business and Marketing Plans. It is also suggested that such a committee meet at least quarterly to ascertain the status of those efforts and recommend modifications in direction as appropriate.

8.3.2 FOLLOW ON MARKETING PLAN

A follow-on Airport Marketing Plan will need to be developed that outlines the approach necessary to recruit specific business targets. The Marketing Plan should address each of the identified goals of the Airport, and provide details about the approach to be used for target audiences.

An effective marketing program will develop the message that the Airport and Town wishes to convey to prospective clients and establish cost effective methods to communicate that message. It will also indicate the required staffing and financial resources necessary to mount an effective and ongoing campaign to expand the Airport's business base.

Finally, the marketing plan will need to establish measurable metrics to help the Airport measure the success of its marketing efforts, and make appropriate changes as the market evolves.

8.3.3 METRICS FOR MEASURING SUCCESS

The Marana Regional Airport will evaluate its progress in the future by measuring its performance against several different types of metrics. Comparisons will be made between current and past financial performance data. Likewise, physical comparisons that evaluate capital improvements and when they are completed against existing infrastructure today. Operational indicators that include data on based aircraft numbers and types, fuel sales, and annual operations data will be charted and evaluated against corresponding goals for growth.

Some of the major performance indicators to be monitored and tracked include the following:

- Annual airport fuel sales
- Based aircraft

- Annual Airport revenues
- Annual Airport expenses
- Number and type of airport lease agreements
- Capital Improvement Programs
- Annual airport operations (takeoffs and landings)
- Infrastructure improvements

The Airport should engage in an annual forecast and goals exercise prior to the beginning of each fiscal year, and based on current circumstances established some educated performance goals for each of the above categories. The following year, those goals should be examined to determine if they were met, were exceeded, or fell short. If those goals fell short of expectations then an analysis of why performance was short should occur, and a possible modification in the airport's business direction may be in order. This is a process that should be conducted annually in an effort to keep the Airport on track towards accomplishing its goals and objectives, and keeping its overall business direction on course.

8.3.4 SUMMARY

The Marana Regional Airport Strategic Business Plan has evaluated the existing business environment of the area and constructed future goals and objectives to assist Airport growth and development into the future. Action plans were developed, and recommendations for a follow on Marketing Plan have been made.

The information contained in this document is time sensitive, and a year from now economic conditions may change. The Marana Regional Airport is poised to execute the guidelines set forth in the Business Plan, and move forward with its infrastructure and business development efforts. Therefore, it is recommended that the Marana Regional Airport continue its momentum and follow through on the development of a Marketing Plan and execution of its goals as soon as possible.

APPENDICES

Appendix A

Community Stakeholder Personal Interviews

To gain insight into the daily challenges and direction of stakeholders associated with the Marana Regional Airport, a number of interviews were conducted with airport tenants and government officials to determine the primary issues facing successful airport development today. Those interviewed were encouraged to discuss historical issues they have encountered with the Airport, as well as future needs and opportunities where association with the Airport would be beneficial to future growth.

The Town of Marana already has its own Mission, Vision, and Values Statements, and a well-structured General Plan to guide its future operations and development. In similar fashion, each of the Town's Department Heads that were interviewed for this study had a well-defined structure of responsibility within that plan. It was noted during these interviews that the individual departments within the Town's structure interfaced and communicated well with the other Town departments, and the airport.

Interviews of local government (Town of Marana) officials specifically included the Deputy Town Manager, the Economic Development Director, the Director of Tourism, and the Airport Director. On the non-government side, the Airport's primary tenant, Mr. Gary Abrams, was interviewed at length. Mr. Abrams has been a long-term tenant on the airport for many years, is cognizant of its development history, and occupies the bulk of the available leasehold property available on the airport.

Each of the individuals interviewed for this study were asked to speak to the subject matters most relevant to their current and future operations, and their relationship to future airport development. A synopsis of each interview follows.

Interview # 1

Mr. Steve Miller, CM

Airport Director

Marana Regional Airport

Mr. Steve Miller is the Airport Director of Marana Regional Airport, and is responsible for the day-to-day operation and management of the facility. The airport is owned by the Town of Marana, which also serves as the Airport's sponsor. As an employee of the Town of Marana, Mr. Miller reports directly to the Deputy Town Manager, and interfaces with other departments and the higher levels of Town government via the designating reporting structure. The interview panel posed a number of questions and discussion items to Mr. Miller as follows:

Question: *Can you provide an overview of current airport business activities at the Marana Regional Airport?*

Discussions with Mr. Miller initially covered a range of topics including his approach to airport operations and business development. During those discussions, he noted that the complexion of the Marana Regional Airport business structure was changing. Traditionally airport business had centered on resident FBO, hangar, maintenance, and aircraft restoration businesses, and many transient civilian and military flight training operations.

However, recent years had seen a reduction in the overall general aviation flight training operations at the airport, and a dramatic increase in the much heavier corporate aviation aircraft, including the larger Gulfstream and Cessna business series aircraft. One of the primary missions of the Airport appears to

be changing from the accommodation of the smaller single and twin-engine aircraft that have historically been present at the airport, to the larger variety of corporate aircraft that are attracted to the current economic and recreational climate that exists in the region. Because of the difference in aircraft sizes, it has also been noted that even though the operational numbers of smaller GA aircraft have diminished, the larger corporate aircraft, and their capacity to consume more fuel, have caused fuel sales and related services at the airport to increase over previous years. This represents a fundamental change in the business profile of the Marana Regional Airport.

Question: *Can you provide a general description of Airport owned and operated areas?*

All of the land except for a couple of State owned parcels, under the Marana Regional Airport are owned by the Town of Marana. Much of the interior of the airport property is leased to various airport tenants and operators, who are directly responsible for the upkeep of those lease areas. All of the operational and movement areas of the airport are maintained by the airport directly. Such areas as runways, taxiways, public apron areas, approach zones, and navigational aids are the direct responsibility of the airport and are operated for the general use of the flying public. It is worthy to note that many of these areas currently suffer from a number of infrastructure deficiencies due to limited maintenance and upgrade funds in previous years. Many areas of the Airport's taxiways and apron areas are failing due to maintenance needs, and even those areas in reasonable repair are generally rated at 12,500 pound for routine air service. The newer and larger categories of aircraft that are currently increasing their presence at the Marana Regional Airport present operating weights far in excess of the existing 12,500 pounds, which in turn will increase the deterioration rate on the Airport's asphalts and related infrastructure unless upgrades are accomplished in the near future.

Unfortunately, this leaves the Marana Regional Airport in a classic "chicken or the egg" scenario. Consequently, new business and new revenue opportunities are appearing on the Airport's doorstep now; However, the ability of the Airport to accommodate such new business opportunities over the long-term rest with its ability to finance and upgrade its infrastructure almost immediately to continue the development of such opportunities. A long-term delay in the Airport's ability to respond to such infrastructure needs will likely result in lost opportunities.

Question: *What is the current lease status with the FBO and other tenant operators?*

Mr. Miller also noted that the entire business approach for the Marana Regional Airport is being evaluated to assure compliance with current Federal and State regulations and Best Business Practices. Current airport lease and tenant agreements are being evaluated and airport property use maps are being updated. Additionally, Airport Rates and Charges were recently updated and submitted to the Town Council for approval in an effort to maintain a competitive advantage with other airport's in the region. Currently most of the airport property available for lease is held by a single lessee, but broken down into a number of different aviation businesses. However, recent interest in the Marana Regional Airport will likely produce additional lease tenants in the future.

Question: *Can we discuss Strategic Business Goals Assessment and Goals Prioritization*

In his capacity as Airport Director, Mr. Miller has played an active role in the Marana Regional Airport Strategic Business Plan process helping to develop future goals and objectives for the airport that reflect the infrastructure improvement and new business development needs necessary to move forward in today's market. Mr. Miller acknowledges that a dual-track of necessary infrastructure upgrades and development, along with an aggressive target specific marketing effort, needs to be implemented to assure the airport successful development into the future. The location of sufficient funding resources to satisfy both development tracks are key to any future success.

Question: *How is the Airport addressing future Airport Capital Improvement Program needs?*

The Airport has always maintained a current Capital Improvement Program (CIP) approved by the FAA. Additionally, the current Airport Master Plan Update that is being produced right now will provide updated CIP projects and justifications based on a combined analysis of Master Plan forecasts, and projected necessary improvements from the Business Plan. The challenge will be to identify sufficient funding to accomplish the necessary CIP projects in time to accommodate projected future growth.

Interview # 2

Ms. Toby Parks

Tourism and Marketing Director

Town of Marana

Ms. Toby Parks is the Director of the Marana Tourism and Marketing office, and is primarily responsible for developing and monitoring programs associated with attracting and promoting tourism and tourism related industries to the region.

Question: *What are the current targets and goals for development of new tourism for the Marana area? Please describe.*

Current marketing and tourism efforts of the Town are centered on the attraction of visitors to a specific activity such as hiking and outdoor recreation, special events that may occur in the region, or visits related to local resorts like the Ritz Carlton. Marketing efforts are not centered on air travel or other modes of transportation per say. However, it is recognized that the "high-end" tourist who may be visiting the attractions of one of the elegant resorts in the area are more likely to be interested in private air transportation than other visitors to the area. Therefore, the assets of the Marana Regional Airport are featured prominently in the Town's marketing efforts.

Question: *Can airport services and development aid with achieving those goals?*

When describing all of the assets the Town of Marana has to offer, Ms. Parks said that the Airport figures prominently in their marketing efforts. Although the Airport currently offers only general aviation and specialty charter service, and no regular scheduled commercial air service, a certain percentage of tourists are still interested in the capabilities of the Marana Regional Airport as a way to access the region.

Question: *What kinds of attractions are you marketing, and what tools are you using?*

One of the primary tools utilized by the Tourism and Marketing Department is the “Discover Marana” website, which highlights and provides detailed information for local marketing efforts, public events, resorts, activities and recreation. These marketing efforts are separate from the Town’s Economic Development Department which is tasked with acquiring long-term and permanent business and service entities to the region. The Tourism and Marketing Department’s focus is centered on the “short-term” visitor that comes to the area to take advantage of recreational activities, special events, and local amenities offered by the Town.

Question: *Can you identify how people are currently traveling to the area, and if they are traveling by air, to which airport(s)?*

When asked about the Town’s ability to track where tourism customers were coming from, and what transportation mode they were utilizing, Ms. Parks stated, “The Discover Marana Website is beginning to supply information as to the source of the inquiries about the regions attractions, and is beginning to compile that data. However, at this time no additional information pertaining to transportation preference is available.” It seems reasonable to assume that most Marana’s tourism traffic currently arrives by car, bus, or by air from neighboring Tucson International Airport. It also seems likely that a growing percentage of the “high-end” visitors are arriving by air either locally at the Marana Regional Airport, or other airport’s in the region, again such as Tucson International or Phoenix Sky Harbor International. The ability to track such information in the future would be an effective tool for measuring the success of both the Airport and the Marketing and Tourism Department.

In many ways the efforts of the Marketing and Tourism Department are still in their initial stages of development, but have already proven to be effective tools for highlighting Marana and the attractions of the region.

Interview # 3

Mr. Curt Woody

Director Economic Development and Tourism Department

Town of Marana

The Department of Economic Development and Tourism is responsible for identifying and forging partnerships with key stakeholders across multiple disciplines in an effort to attract and retain businesses from diverse industries that complement community’s assets and lead to sustainable and long-term economic health for Marana and Southwest Arizona.

Question: *What are some of the target markets for the economic development department?*

Mr. Woody advised that the Town of Marana regularly recruits firms from the retail industry, light industrial and manufacturing, agricultural related businesses, high-tech, and educational institutions. These types of businesses tend to offer a stable and long-term basis for employment once established.

Question: *Does the Town of Marana currently have any incentive programs in place to attract new business or industrial development?*

Mr. Woody explained that the Town engages several approaches to recruit, maintain, and expand a variety of business and industry interests into the Town and region which includes:

- Regular review and identification of available financing tools;
- Evaluation of tax increment financing and develop policies as required;
- Creation and use of a “solutions team” for rapid response and deployment of development related and business attraction/retention/expansion issues; and
- Development and implementation of job-shadowing or on-the-job training for employees involved in the development process to expand the Town’s knowledge base.

It is the intent of the Town of Marana to create a workforce development strategy, including the identification of partner organizations to help develop attractions and opportunities for new businesses to come into the region.

Question: *Does the Town currently promote the Airport as one of its assets to provide needed services and access to the community as part of its economic development programs?*

Another one of the stated goals of the Economic Development and Tourism Department is to promote the use of the Marana Regional Airport and increase its visibility for business development opportunities. This would be a joint effort between the Economic Development and Airport Departments and would be accomplished by:

- Development of a marketing campaign that leverages the advantages of the Marana Airport as a business (or event) travel destination and business operations hub;
- Identifying and collaborating with local corporations and/or hotels to market the airport as a business (or event) travel destination for private/corporate planes; and
- Identifying targets/recipients of marketing materials.

The Economic Development Department also continues to explore and facilitate the use of business attraction tools including local, state, and federal incentive programs to attract new businesses to the area.

Question: *Does Economic Development currently have any programs in place to promote the specific benefits of development on, or immediately adjacent to, the Airport for industries and businesses that would benefit from such location?*

The Town of Marana is currently preparing to conduct infrastructure study for the Tangerine Corridor, and other areas adjacent to the airport area, the purpose of which is to identify the established and proposed utilities and infrastructure necessary to future development. The Planning Department is also looking at what types of possible “airport compatible” businesses could be accommodated in those areas.

Additionally, the Town plans to cultivate and participate in State and National partnerships such as the Arizona Commerce Authority, TREO, and Site Selectors Guild to promote Marana and its assets as a community of choice for career oriented business and commerce.

Interview # 4

Mr. Jamsheed Mehta

Deputy Town Manager

Town of Marana

Mr. Jamsheed Mehta is the Deputy Town Manager for the Town of Marana, and is responsible for the coordination and oversight of a number of the Town departments, including the Marana Regional Airport. He is very active in the planning and development process, and also sits on the PAC and TAC Committees of the Marana Regional Airport Master Plan Update and the Airport Strategic Business Plan development process. Mr. Mehta addressed a number of questions and issues pertaining to the Town's role in the future development and operation of the Marana Regional Airport.

Question: *One of the goals of the strategic business plan is to help the Airport exceed currently forecasted operations, based aircraft, and associated aviation activities as shown in the Airport Master Plan. What kinds of support do you envision that the Town of Marana can provide to help achieve this goal?*

The various departments within the Town of Marana already have a supportive infrastructure. Various departments such as water and sewer, the Streets division, and others have done work in support of the Airport in the past, often at no charge to the Airport's budget. Plans for infrastructure improvements such as water, sewer, and utility services also include the Airport in their long-range planning efforts to accommodate the demands of development on and around the Airport in the future. Additionally, the administration, Economic Development and Tourism, and others have included and supported the Airport in their own marketing and development planning efforts presenting a symbiotic relationship that benefits the Airport and the entire Town.

Question: *Can you envision any role and/or participation from county government?*

Not really. The Town's efforts are coordinated with the County where appropriate, but most of the coordination and development efforts will come from the Town of Marana.

Question: *What other ways could the Town support the various development requirements of the airport to enable it to support future aviation growth, i.e. Bond issues, or other long term financial support?*

The airport is always included in our overall planning efforts, and the Town is always looking for incentives to attract new businesses to the airport and other sections of the Town as well. Other financial incentives or support measures are the prerogative of the Town Council. However, as necessary, and through the appropriate channels of the Town, I think Marana would consider developing the appropriate financial support mechanism such as Bonding and other financial incentives to support the airport for critical projects.

Question: *The airport is located in an identified floodplain. Do you envision development issues because of the location?*

Yes, the floodplain issue certainly presents challenges to future development without extensive infrastructure changes or additions. The Town is evaluating this issue now and exploring what alternatives or courses of action may best address this situation.

At this point in the discussion, a variety of area land use maps were presented to the interview group showing current zoning configurations and land uses, future study areas, floodplains, infrastructure and utility layouts. A general discussion of potential infrastructure development around the airport and the Tangerine corridor followed.

Question: *What do you believe the Town Council needs to see from this Strategic Airport Business Plan to achieve “Buy-In” and support for moving forward with development and marketing efforts for the airport?*

I believe that the Town of Marana needs to see evaluation of the various development options that are identified in the new business plan, along with recommendations for achieving the goals and objectives necessary to the future development of the Airport. The goals of the Airport and the Town are intertwined and we need to see a formula and development of tools for achieving the future growth and success of the Airport and of course the Town as a whole.

The development of a Marketing Plan for both the Airport and the Town that provides direction for accessing new markets, developing new sources of revenue, and achieving that desired future growth is very important as well.

It is important that the Strategic Business Plan and the Airport Master Plan Update reflect the changing times and growth that is occurring in Marana. They need to show the FAA and others that the justification for change and improvements in infrastructure is occurring now.

Interview # 5

Mr. Gary Abrams

CEO and President

Abrams Airborne Manufacturing

Mr. Gary Abrams is the CEO and President of Abrams Airborne Manufacturing and the largest single tenant on the Marana Regional Airport. He currently holds leases on the airport for Pima Aviation and Tucson Aero service Center, and provides FBO, terminal, hangar, and maintenance center services. Other service providers on the airport operate under a sub-lease agreement with Abrams as well.

Question: *What business issues are of current concern by the FBO?*

Mr. Abrams owns and operates most of the active hangars on the Marana Regional Airport, and he indicated that there are currently 20 open hangars on his leasehold, reflecting a decreased demand for small and mid-sized hangar space over previous years. This is not simply an indication of customers moving to other accommodations; the based aircraft population of the Marana Regional Airport has declined over recent years.

Question: *What are some of the current infrastructure issues that are of concern by the FBO?*

Mr. Abrams felt that the airport had a number of infrastructure concerns that were going to need to be addressed in order for the facility to develop effectively into the future. Included among those issues were the following:

- Current lack of a sewer system. - The Airport is currently served by commercial septic systems which may limit capacity in future years. The best scenario would be to hook the airport into the Town of Marana's future sewer system.
- Water system. - The airport currently draws its water from a system of water wells. Mr. Abrams felt that the airport should look to the future to make sure this resource was adequate to supply both potable water, as well as a sufficient supply for current and future fire suppression. Here again, a future tie-in with the Town's water system may be appropriate.
- The Airport is in a defined flood plain. – The Airport is surrounded by a flood plain, which is problematic for future development without extraordinary measures to raise ground levels, or other mitigation measures.
- Poor wireless connectivity. – The world today relies on wireless connectivity, from your cell phone to your I-Pad, to any number of other wireless communications devices. It is a basic requirement for business today. Wireless coverage is often spotty around the airport, and communications of all sorts would be greatly improved if these coverage and bandwidth issues were addresses.
- CAP recharge site off the end of the runway. – The CAP recharge site creates long standing water ponds which are an attractant for birds and other wildlife that create a hazard to air traffic taking off or landing at the airport.

Question: *Based on current regional economic plans, where are the opportunities?*

For his business focus, Mr. Abrams indicated that he saw future opportunities in Aerospace and Defense, with the Airport's ability to accommodate military traffic, and the location of several testing and training facilities in the immediate area of Marana today.

Opportunities for a Corporate Technology Center around the perimeter of the airport also exist. These types of developments would constitute a compatible land use around the airport, and such locations would fit well with persons or companies that were tied to the airport for convenient transportation access as well.

Question: *Are there any Marana Regional Economic Development Partners?*

Yes, the Town of Marana has previously partnered with Sun Corridor Inc. (formerly Tucson Regional Economic Opportunities), and the Pima Association of Governments for development programs. They have also partnered with the Arizona Commerce Authority (ACA). The key industries that were pursued included, Aerospace and Defense contractors, Semiconductor, Bioscience, and Optics manufacturers, and Renewable Energy companies.

Interview # 6

Mr. Jamie Brown

Mr. Chris Blue

Mr. Patrick Hartley

Pima Association of Governments (PAG)

The Pima Association of Governments (PAG) is the region's federally designated metropolitan planning organization, and oversees long-range transportation planning, serves as the region's water quality management planning agency, lead air quality planning agency and solid waste planning agency. PAG has Transportation Planning, Sustainable Environment Planning, and Technical Services divisions that coordinate cross-jurisdictional planning efforts with PAG members.

PAG coordinates development of the long-range Regional Mobility and Accessibility Plan (RMAP) to secure federal funding. PAG's activities and services also include human services planning, traffic data collection, mapping, development of population projections, promotion of travel demand management strategies, and promotion of clean fuels and solar energy use.

On April 7, 2016, several members of the Pima Association of Governments were interviewed, including Mr. Jamie Brown, Mr. Chris Blue, and Mr. Patrick Hartley, about promotional interactions between PAG, and the Marana Regional Airport. Discussions also focused on regional transportation planning issues including the role of airport's in the region.

Question: *Does the Pima Association of Governments currently have a transportation or marketing plan that includes the Marana Regional Airport?*

Discussion between all three participants indicated that PAG has a 30-year Regional Transportation Plan out for public review and comment right now. Specific airport projects listed in the last Airport Master Plan and current Capital Improvement Program are listed, and included in the Long-Range Transportation Plan. The most recent version of this plan could be adopted in May 2016. Additionally, PAG continues to be updated with new information as included in the current Airport Master Plan Update, and the Airport Strategic Business Plan.

Question: *What are some of the target markets or goals in transportation for the Pima Association of Governments?*

The PAG does not publish a marketing plan with identified target markets. They are only engaged in transportation planning, and the coordination of those efforts by and between the associated members. Specific marketing efforts are generally left to the direct jurisdictions of the Town and County agencies.

Question: *Does the Pima Association of Governments currently have any incentive programs in place to attract new business or transportation development?*

No, the PAG does not deal directly in incentive programs. Not unlike direct marketing programs, incentive programs usually fall under the prevue of the individual Town and County governments.

Question: *Does the Pima Association of Governments currently promote the Marana Regional Airport as an asset to provide needed transportation services and access to the region as part of its transportation development programs?*

PAG works with their jurisdiction partners like Town and County governments and publishes their direction. Basically, PAG coordinates and publishes informational services by and between its partners, but does not engage in actively promoting local aviation resources. There are other economic entities in the region like Sun Corridor Inc. that do take a more active role in marketing the assets of the region and attracting new business.

Question: *What type of airport services would be most beneficial to regional development?*

While not tied directly to any particular airport or aviation resource, it was felt that the continued development of freight services would be a beneficial to the region. Most of the emphasis in this area is directed towards over the road freight haulers, and associated facilities.

Appendix B Grow Model Worksheets

Marana Regional Airport (AVQ) GROW Model Worksheet	
Goals: Attract Additional Flight Training Business	
Identify the Goal	Attract additional flight training business to the Marana Regional Airport
Define the Markets/Customers	Flight schools, individual flight instructors, and pilots in training
Ascertain the Deliverables	Marketing package that promotes the advantages of flight training at Marana Regional Airport
Describe the Purpose	Attract additional flight training entities to the airport and increase consumption of airport services
Reality: Where is the Organization Now.	
Current facilities on the airport	Airport has necessary infrastructure (Runways, Taxiways, Aprons) and room for additional development - Airport still needs additional classrooms and training areas and infrastructure for flight schools.
Available development options	Develop target specific (flight training) portion of airport marketing plan
Demand is growing	Heavier aircraft will require upgrades to the airports infrastructure
Options: How can the Airport get there	
Do nothing alternative	
(1) No changes in current airport conditions or marketing	
Consequences	If attributes of Marana Regional Airport are not marketed or communicated new growth will be nominal
Other Alternatives	
(2) Develop marketing plan	
Consequences	The addition of a target specific portion of a marketing plan geared towards flight training entities will increase awareness of Marana's attributes and attract new business
(3) Develop marketing plan and upgrade services	
Consequences	Increasing awareness in the market of Marana's attributes and new services for the customer will help boost flight training activity
Involvement (Key People)	Airport Management, Marana Aviation Foundation, Marana Economic Development Department
Resources needed	Target specific marketing plan
Expenditures required	Funding for development and implementation of marketing plan Cost TBD
Associated risks	No action, or ineffective implementation of a marketing effort will result in very little new business development
Estimated time frames	Implementation should begin in one year or less
Criteria for selecting option	Marketing Plan with strong "target specific" emphasis on new flight training business
Select most appropriate option	Marketing Plan with strong "target specific" emphasis on new flight training business
Will: is the Airport/Community Ready, Willing, and	
Resources	Airport Management, AOPA, NBAA, Marana Aviation Foundation
Obstacles (Key People)	Limited identified funding. Current lack of infrastructure for training facilities
Obstacles (Other)	
Rewards for achievement	Increased training activity and use of associated airport services. Possible new flight training operator based on the airport, increased revenue stream to the airport. Increased airport operational numbers

Marana Regional Airport (AVQ)

GROW Model Worksheet

Goals: Develop Joint ATC Tower With Pinal Air Park	
Identify the Goal	Develop a joint ATC facility that services both AVQ and the Pinal Air Park or services AVQ separately
Define the Markets/Customers	All air traffic between the two airports
Ascertain the Deliverables	Joint ATC facility that controls and coordinates air traffic for and between both airports - or just AVQ if joint
Describe the Purpose	Improve safety and increase efficiency of both VFR and IFR air traffic into and out of AVQ and Pinal Air Park
Reality: Where is the Organization Now.	
Current facilities on the airport	None, both airports have UNICOM only communications
Available development options	Propose a joint ATC facility that can coordinate all air traffic in the vicinity of both airports - or separate control of AVQ
Demand is growing	Aircraft mix is changing towards heavier aircraft and safety will be enhanced with increased ATC capabilities
Options: How can the Airport get there	
Do nothing alternative	
(1) No changes in VFR and IFR controls in the vicinity	
Consequences	The lack of ATC controls slows down both the VFR and IFR traffic transitions for both airports and will continue to do so into the future with increasing frequency
Other Alternatives	
(2) Develop joint ATC facility	
Consequences	A joint ATC facility that services both airports would improve safety, and increase the efficiency of aircraft operations from both airports
(3) just for AVQ Develop ATC facility	
Consequences	Would improve air safety for AVQ operations
Involvement (Key People)	Airport Management, Town of Marana, Pinal Air Park, FAA and ADOT and Army Air National Guard
Resources needed	Siting Study, Cost Benefit Analysis, Safety Analysis, and Environmental Assessment
Expenditures required	Funding for development and implementation of required studies. Cost TBD
Associated risks	No action means no increase in safety or efficiency in already congested airspace
Estimated time frames	Implementation should begin in one year or less
Criteria for selecting option	Action plan that coordinates air operations between airports and is most beneficial to safety/efficiency
Select most appropriate option	Action plan that coordinates air operations between airports and is most beneficial to safety/efficiency
Will: is the Airport/Community Ready, Willing, and	
Resources	Airport Management, AOPA, NBAA, FAA ADOT, Town of Marana, Pinal Air Park, and Army National Guard
Obstacles (Key People)	Funding, Federal Approval, joint cooperation issues
Obstacles (Other)	
Rewards for achievement	Increased coordination of flight activities between the two airports, increased safety and efficiency - increased business as a result of additional controls

Marana Regional Airport (AVQ) GROW Model Worksheet

Goals: Develop Marketing Plan	
Identify the Goal	Development of a marketing plan that will attract new businesses and services to the Marana Regional
Define the Markets/Customers	Corporate and General Aviation aircraft operators, charter organizations, specialty air service operators
Ascertain the Deliverables	New marketing plan to guide Marana Regional Airport direct marketing efforts into the future
Describe the Purpose	Identify and acquire new business opportunities, and attract new air service opportunities
Reality: Where is the Organization Now.	
Current business development environment	No specific marketing plan for the Marana Regional Airport currently exists
Available development options	Develop new marketing plan specific to the airport, and work with Town, Chamber, County and others to coordinate such market development efforts with their efforts
Demand is growing	New business and market opportunities are becoming apparent, but have not been acted on as yet
Options: How can the Airport get there	
Do nothing alternative	
(1) No changes in current airport conditions or marketing	
Consequences	The Airport will likely experience only nominal and uncoordinated growth into the future
Other Alternatives	
(2) Develop marketing plan	
Consequences	New Marketing Plan becomes essential tool for airport development
Involvement (Key People)	Airport Management, Town of Marana Economic Development, Chamber of Commerce, Marana Aviation Services
Resources needed	Cooperative between named agencies
Expenditures required	Funding for development and implementation of new marketing plan Cost TBD
Associated risks	Marketing plan development is positive factor - lack of appropriate marketing plan means risk of uncoordinated or lost development opportunities
Estimated time frames	One year from development to implementation
Criteria for selecting option	Most effective plan to further airport economic and development opportunities
Select most appropriate option	Most effective plan to further airport economic and development opportunities
Will: is the Airport/Community Ready, Willing, and	
Resources	Airport Manager, Town of Marana Economic Development, Chamber of Commerce, NBAA, AOPA
Obstacles (Key People)	Internal funding issues
Obstacles (Other)	
Rewards for achievement	A marketing plan to guide current and future business development

Marana Regional Airport (AVQ) GROW Model Worksheet

Goals: Improve Relationships With FAA / Other Funding	
Identify the Goal	Improve working and political relationships with Federal, State and other identified funding sources
Define the Markets/Customers	Federal and State Aviation Funding Sources, Private Investors, Public/Private Partnerships
Ascertain the Deliverables	Increase the Airports financial funding options by improving/establishing better working and political relationships with the various funding sources the airport has at its disposal
Describe the Purpose	Develop a more effective network of financial resources necessary to the ongoing support and expansion of the airports infrastructure needs
Reality: Where is the Organization Now.	
Current funding relationships	Traditional relationships exist today with FAA and State DOT. Other resource and funding relationships need to be cultivated as well
Available development options	Research and establish working relationship with additional potential funding sources in both the government and private sector
Demand is growing	Additional funding sources needed to address future development needs
Options: How can the Airport get there	
Do nothing alternative	
(1) No improvement from Airport current relationships with funding sources	
Consequences	If relationships with current funding sources are not improved and expanded, opportunities to expand funding resources and availability will likely continue to be handicapped
Other Alternatives	
(2) Improve working and political relationships with funding agencies	
Consequences	As relationships improve, and the ability to identify and expand funding resources improve as well, the financial situation for the Airport will improve as well
Involvement (Key People)	Airport Management, Town of Marana Finance Department, Town Manager, Town Council, and lobbying entities
Resources needed	Financial options, Aviation Grants, Discretionary Funds, Bonding Capability, Public/Private Partnerships
Expenditures required	Time and salaries to research/ identify/ and pursue new funding sources and opportunities coupled with appropriate political influence
Associated risks	No action, or improvement in working/political relationships will likely handicap identification of new funding sources/opportunities will handicap the Airport financial capability to improve necessary airport infrastructure to meet future demand
Estimated time frames	Implementation efforts should begin immediately
Criteria for selecting option	Most appropriate strategy that allows Airport to raise its profile with funding entities, identify and capitalize on new financial resources and opportunities
Select most appropriate option	
Will: is the Airport/Community Ready, Willing, and Able	
Resources	Airport Management, Town Management, Town Council, and lobbying entities
Obstacles (Key People)	Established political hierarchy
Obstacles (Other)	
Rewards for achievement	Additional funding resources will allow continued airport infrastructure improvements as needed and in sync with airport demand

Marana Regional Airport (AVQ) GROW Model Worksheet

Goals: Improve Infrastructure by Capturing Funding Sources	
Identify the Goal	Locate and develop additional sources of funds necessary to address infrastructure needs
Define the Markets/Customers	Federal and State Aviation Funding Sources, Private Investors, Public/Private Partnerships
Ascertain the Deliverables	Identify new funding sources that the Airport can access for needed infrastructure upgrades and repairs
Describe the Purpose	Develop a network of financial resources necessary to the ongoing support and expansion of the airports infrastructure needs
Reality: Where is the Organization Now.	
Current facilities on the airport	Financial needs necessary to support current infrastructure are drawn primarily Federal and State aviation grants, and local funding. There continues to be a need for additional funding to keep up with the demands of the airport
Available development options Demand is growing	Develop a long term financial plan that includes available funding options including Federal and State aviation grants, bonding, tax incentives for development etc. to upgrade and maintain the airports infrastructure
Options: How can the Airport get there	
Do nothing alternative	
(1) No changes in the Airports funding strategy or resources	
Consequences	If no additional funding resources are identified, the Airports ability to upgrade and maintain its infrastructure will continue to be slow and probably not keep up with demand
Other Alternatives	
(2) Develop/Identify new funding sources	
Consequences	As additional funding sources are captured and developed the Airport will incrementally become more capable of improving its infrastructure as necessary to keep up with demand
Involvement (Key People)	Airport Management, Town of Marana Finance Department, Town Manager, Town Council, and independent investors
Resources needed	Financial options, Aviation Grants, Discretionary Funds, Bonding Capability, Public/Private Partnerships
Expenditures required	Time and salaries to research/ identify/ and pursue new funding sources and opportunities
Associated risks	No action, or no identification of new funding sources/opportunities will handicap the Airport financial capability to improve necessary airport infrastructure to meet future demand
Estimated time frames	Implementation should begin in one year or less
Criteria for selecting option	
Select most appropriate option	Financial strategy that allows Airport to identify and capitalize on new financial resources and opportunities
Will: is the Airport/Community Ready, Willing, and Able	
Resources	Airport Management, Town Management, Town Council, and independent investors
Obstacles (Key People)	Limited number of new financial resources and competition with other airports for available funds
Obstacles (Other)	
Rewards for achievement	Additional funding resources will allow continued airport infrastructure improvements as needed and in sync with airport demand

Marana Regional Airport (AVQ)	
GROW Model Worksheet	
Goals: Build new AVQ Terminal Facilities	
Identify the Goal	Construction of a new Executive Air Terminal Facility and all supporting infrastructure
Define the Markets/Customers	High end corporate and general aviation pilots and passengers
Ascertain the Deliverables	Design and construction of Executive Terminal Facility with pilot facilities, public and private passenger areas, agency rooms, and airport offices,
Describe the Purpose	Executive level accommodations for transient corporate and General Aviation passengers and crew, and associated government and private services.
Reality: Where is the Organization Now.	
Current facilities on the airport	The FBO provides the current Terminal Building and meeting rooms to accommodate Corporate and GA passengers and crew.. The airport offices are housed in the maintenance facility
Available development options	Additional land and apron areas are available for development of new Terminal Facilities in developed land at the east side of the airport property
Demand is growing	, (A shift towards larger corporate and GA aircraft has been noted in recent years, and demand for an expanded facility is growing. (See 2015 Forecasts
Options: How can the Airport get there	
Do nothing alternative	
(1) No changes in current airport facilitates	
Consequences	No action will cause airport growth to over power current Terminal and infrastructure capabilities in future years
Other Alternatives	
(2) FBO Buildout	
Consequences	Loss of owner revenue potential, loss of branding opportunities, loss of control
(3) Public Private Partnership	
Consequences	Legal partnership challenges, up front costs to Town of Marana
(2) Construct New Full Sized Terminal Facility	
Consequences	Full sized facility will accommodate current and future demand, but will also incur higher initial costs and not be completely utilized for a number of years
(3) Construct smaller Terminal Facility w/	
Consequences	Initial costs are less, facility will accommodate current demand and is expandable for future demand, initial utilization is higher
Involvement (Key People)	Airport Management, Town of Marana Development Services, FBO, and private investors
Resources needed	Program Development along with study to provide appropriate sizing, costs and plan
Expenditures required	Financing sources - Costs TBD
Associated risks	Miscalculating the market. Facility development not sized appropriately, insufficient revenue stream to support final development
Estimated time frames	From conception through initial construction 5 to 10 years
Criteria for selecting option	Cost effectiveness, meet forecast demand, provides appropriate levels of service
Select most appropriate option	
Will: is the Airport/Community Ready, Willing, and	
Resources	Both the Public Sector (Airport/Town/County) and Private Sector (FBO/Investors) have the administrative and funding resources to accomplish this goal, and are willing to move forward
Obstacles	Funding and "buy-in"
Obstacles (Other)	The development of a terminal program approach
Rewards for achievement	"New Face" for the Marana Regional Airport, new ability to accommodate current and future traffic, new attraction for "high end" airport users market

Marana Regional Airport (AVQ) GROW Model Worksheet

Goals: Expand Specialty Air Services	
Identify the Goal	Expand and develop specialty commercial services such as Air Taxi and Charter services.
Define the Markets/Customers	On demand air travelers, and special event air travelers
Ascertain the Deliverables	Ongoing market development program to attract additional specialty air taxi and charter operators
Describe the Purpose	Increase the general air access and non-scheduled air service opportunities for the airport
Reality: Where is the Organization Now.	
Current facilities on the airport	Current configuration of required infrastructure (Runways, Taxiways, Apron Areas) is sufficient, but weight limited to routine operations under 12,500 pounds.
Available development options	Advertising and marketing plan to attract new business - Pavement area upgrade projects
Demand is growing	
Options: How can the Airport get there	
Do nothing alternative	
(1) No changes in current airport conditions or marketing	
Consequences	With no action increases in new specialty air services will be minimal
Other Alternatives	
(2) Develop marketing plan	
Consequences	Raising the profile of the Airport via a marketing plan will result in additional specialty air traffic
(3) Develop marketing plan and upgrade pavements	
Consequences	Raising the Airport profile, improving the infrastructure and advertising that increased capacity will greatly improve opportunities for additional specialty air traffic
Involvement (Key People)	Airport Director, Town of Marana Economic Development, Tucson Aero Service and FBO
Resources needed	Airport Marketing Plan, Funding sources for airport infrastructure upgrades
Expenditures required	Costs for design and construction of required airport infrastructure upgrades, and marketing plan TBD
Associated risks	Heavy aircraft traffic without improved infrastructure will cause additional and accelerated deterioration of essential operating surfaces such as runways, taxiways, and apron areas.
Estimated time frames	Marketing efforts and infrastructure improvements should commence ASAP
Criteria for selecting option	Best value for developing new markets and handling more and larger aircraft and providing better customer service
Select most appropriate option	
Will: is the Airport/Community Ready, Willing, and	
Resources	Airport Management and Town capable of managing marketing programs, and obtaining grants and other funding for necessary improvements.
Obstacles (Key People)	Federal and State funding approvals
Obstacles (Other)	
Rewards for achievement	Increased specialty air service to airport, increased revenue streams, greater access to NAS

Marana Regional Airport (AVQ) GROW Model Worksheet

Goals: Pursue Markets That Differentiate AVQ	
Identify the Goal	Pursue markets that will set AVQ apart from other airports in the region
Define the Markets/Customers	Corporate and General Aviation aircraft operators, charter organizations, specialty air service operators
Ascertain the Deliverables	Marketing Plan elements that address the specialty qualities and services AVQ offers to the aviation market
Describe the Purpose	To target those new specialty business and service opportunities that can be accommodated by AVQ
Reality: Where is the Organization Now.	
Current business development environment	No specific marketing plan for the Marana Regional Airport currently exists
Available development options	Develop new marketing plan specific to the airport, and work with Town, Chamber, County and others to coordinate such specialty market development efforts with their efforts
Demand is growing	New business and market opportunities are becoming apparent, but have not been acted on as yet
Options: How can the Airport get there	
Do nothing alternative	
(1) No changes in current airport conditions or marketing	
Consequences	The Airport will likely experience only nominal and uncoordinated growth into the future
Other Alternatives	
(2) Develop marketing plan	
Consequences	New Marketing Plan that addresses those specialty services that will differentiate AVQ becomes an essential tool for airport development. Work with current economic developers to find and explore opportunities.
Involvement (Key People)	Airport Management, Town of Marana Economic Development, Chamber of Commerce, local business economic development entities such as hotels and resorts.
Resources needed	Funding and cooperation between marketing entities
Expenditures required	Funding for development and implementation of new marketing plan. Project not eligible for FAA or ADOT monies. Will need direct Town support.
Associated risks	Marketing plan development is positive factor - lack of appropriate marketing plan means risk of uncoordinated or lost development opportunities
Estimated time frames	One year from development to implementation
Criteria for selecting option	Most effective plan to further airport economic and development opportunities
Select most appropriate option	
Will: is the Airport/Community Ready, Willing, and	
Resources	Airport Manager, Town of Marana Economic Development, AOPA, NBAA, local businesses, and Chamber of Commerce
Obstacles (Key People)	Need local presence
Obstacles (Other)	Many plans already exist for the area. Efforts need to be made to coordinate with each of these plans as effective
Rewards for achievement	The ability to grow the AVQ market by attracting more aviation related business with specialty services



OUR BUSINESS IS AVIATION. OUR PRIORITY IS YOU.

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