

Jobs, Expansion and Transportation (JET) Task Force

Kick-Off Meeting
April 11, 2014

THE CITY OF
COLUMBUS
MICHAEL B. COLEMAN, MAYOR



COLUMBUS
REGIONAL AIRPORT AUTHORITY

Agenda

- Introductions
- Purpose of JET Task Force
- Description of Working Groups
- Updates on 3 Areas of Focus
- Discussion

Mayor Michael B. Coleman appointed a 14-member task force to maximize one of our community's strongest assets, Port Columbus.

Jet Task Force Members

- Dan Rosenthal, Milestone Aviation Group, Task Force Chairman
- Ted Adams, L Brands
- Elizabeth Blount, Uniglobe Travel Designers
- Kacey Brankamp, Create Columbus Commission
- Jean Carter-Ryan, Columbus-Franklin County Finance Authority
- Geoffrey Chatas, Ohio State University
- Michael Dalby, Greater Columbus Chamber of Commerce
- Michael Johnson, East Columbus Civic Association
- Stephen Lyons, Columbus Partnership
- Jolene Molitoris, former director of Ohio Department of Transportation
- William Murdock, Mid-Ohio Regional Planning Commission
- Mark Patton, Jobs Ohio
- Anthony Precourt, Columbus Crew
- Jonathan Ramsden, Abercrombie & Fitch

Jobs, Expansion and Transportation (JET) Task Force

- *Purpose:* Develop an actionable plan for increasing direct flights, expanding economic development and examining the feasibility of making Port Columbus a regional transportation center.
- *Vision:* Redefine our airport as an economic hub and the center of transportation for the region.

Jobs, Expansion and Transportation (JET) Task Force

Three Working Groups:

- Economic Development
- Regional Transportation Center
- Air Service

Updates on 3 Areas of Focus for Task Force

Columbus Regional Airport Authority

Our Vision:

Connecting Ohio with the World

Our Mission:

To develop & operate our aviation system assets in a manner that provides passengers, businesses & the community the highest level of service, safety, satisfaction and economic benefit.

The Authority's Strategic Business Plan



Port Columbus is A Regional Economic Engine

Maximizing Regional Economic Growth

Economic Impact Study Update

	CRAA's Airports	LCK Inland Port	Total Impact
Total Jobs	38,374	15,798	54,172
Total Payroll	\$1.3B	\$.5B	\$1.8B
Total Output	\$4.6B	\$1.9B	\$6.6B

- CRAA Airports and Inland Port are an important transportation resource for Central Ohio
- Critical economic catalysts
- Airport impact growth since 2004:
 - Employment has increased 28%
 - Annual payrolls has increased 68%
 - Annual output has increased 69%

Port Columbus is the Gateway to the City and Positioned for Growth

- Over \$700 million invested for capital improvements since 2000
 - I-670 / Steltzer Road interchange
 - International Gateway Roadway improvements
 - Welcome signage and extensive landscaping
 - New replacement runway
 - Inline baggage screening system
- Enhanced Customer Experience
 - Free WiFi, 2000+ free power outlets
- Expanded concessions featuring local companies: Donatos, Jeni's Splendid Ice Creams, and Max & Erma's
- \$80 Million Terminal Modernization Program



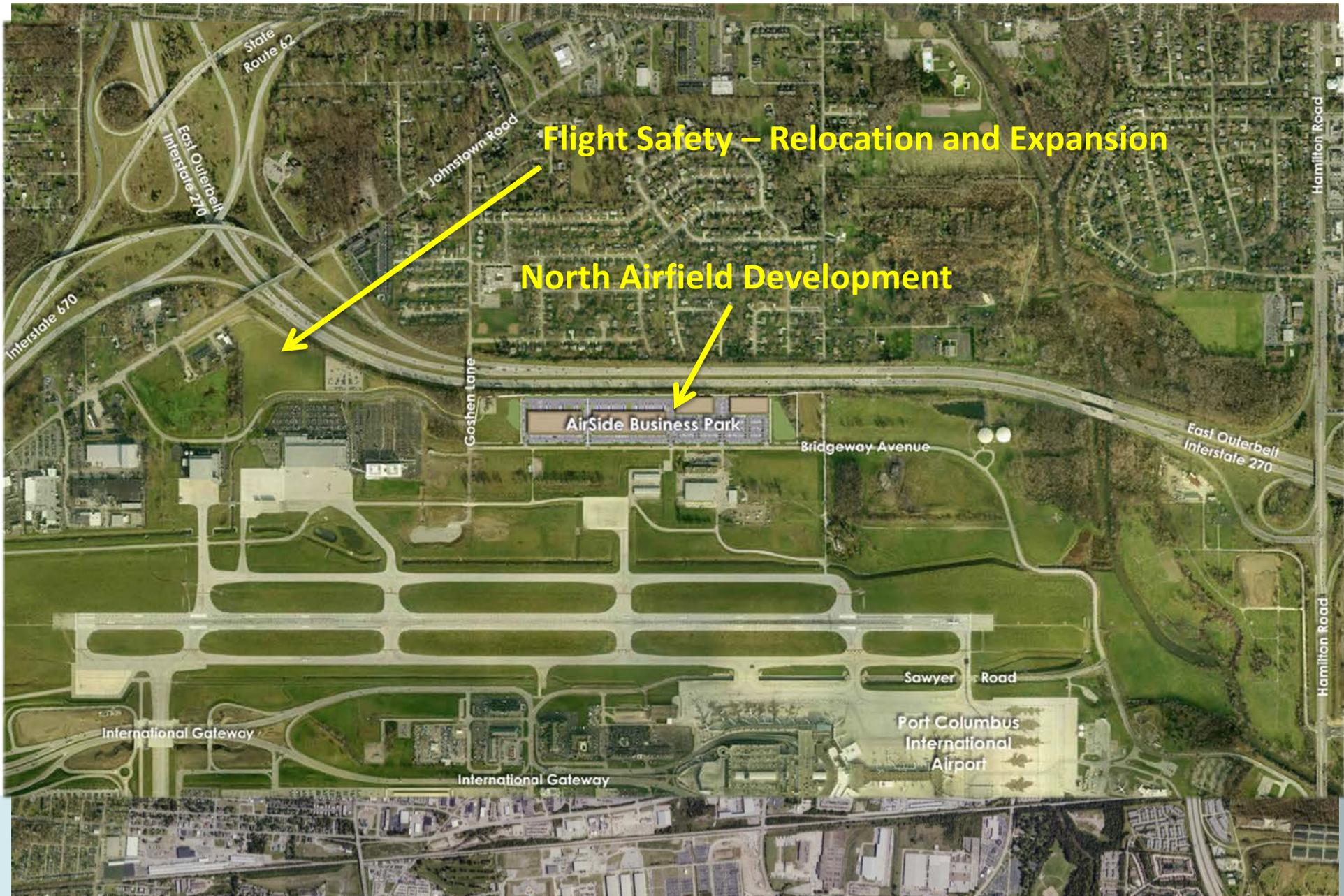
New Developments

- NetJets world headquarters completed in 2012.
- New Marriott Fairfield Inn & Suites to open August 2014.
- Flight Safety relocation / expansion across from NetJets beginning in 2014.
- Daimler development on north airfield beginning in 2014.

Port Columbus International Airport



Port Columbus International Airport



Port Columbus Area Development Partnership

- Columbus, Gahanna, and Whitehall partnered to craft economic development strategies for entire area around Port Columbus
- Recommendations made from the 2007-2008 Partnership Study can provide guidance for the JET Task Force Working Group to prioritize and help implement.

JET Economic Development Working Group

Purpose:

Leverage and partner with community stakeholders to grow the economic wealth of our region by creating joint economic development strategies to coordinate future land use planning, infrastructure investment, service delivery, development incentives and marketing efforts for the entire area around Port Columbus.

Next Steps

- Discuss how to best use all of economic development tools to pursue companies that supply, service or innovate for the various modes of transportation, as well as, companies that have the need to be near the airport or offer services conducive to our efforts.
- Review the City's development priorities, CRAA's Strategic Business Plan, and the Joint Economic Development Strategy.

Port Columbus as a Regional Transportation Center

Regional Transportation Center Working Group

Purpose:

Evaluate transportation options for enhancing multimodal infrastructure, rail, bus and more efficient car services and connectivity to and from Port Columbus to Downtown Columbus and other key job centers and destinations (i.e. Easton and OSU).

Port Columbus as Multi-Modal Hub

Intercity Passenger Rail – The City helped fund a feasibility study and business plan on high speed rail service to Chicago and proposes a downtown station and one along with some maintenance services at Port Columbus;

Light Rail – We share an interest in light rail. We should explore direct service from the airport to downtown, including the use of the Ohio Panhandle line as a foundation for light rail to the eastern part of the Columbus region;

COTA, pedestrian and bicycling, and private sector services, like taxis and car rentals – We should examine how we can use other transportation modes to connect the airport to other important visitor destination and job centers like Downtown, OSU, Easton, defense logistics, and health services;

Intercity Bus Service – We should explore feasibility of creating a regional hub for private bus carriers, including Greyhound and Mega Bus, in the airport area.

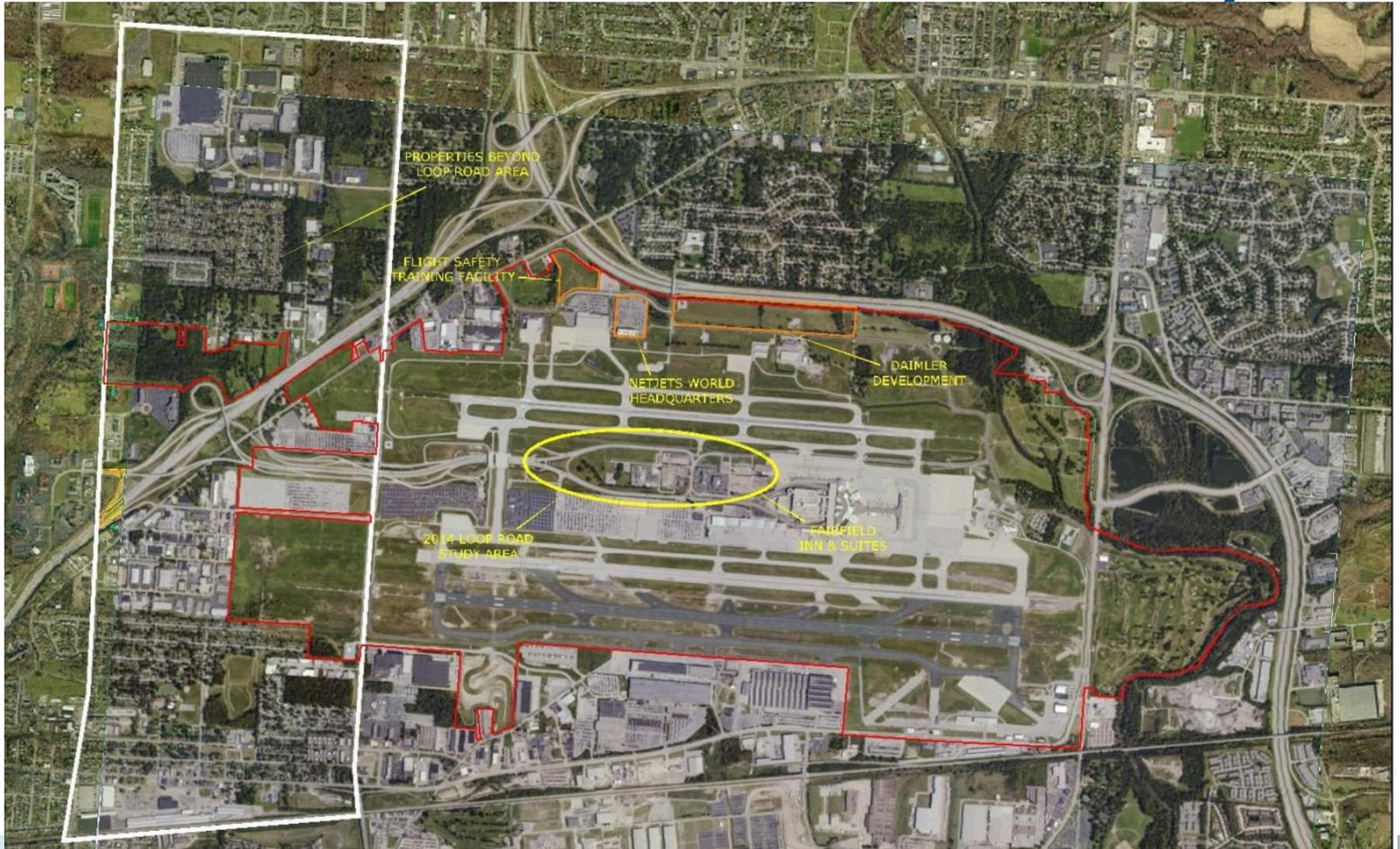
Loop Road Study

The City has committed to fund a supplemental scope of work to an existing Airport Authority funded Loop Road Study which is evaluating future on-airport land uses including best locations for multiple surface transportation options to and from the Airport.

Loop Road Study will:

1. Complete an inventory of existing infrastructure in and adjacent to Port Columbus.
2. Identify and document potential corridors for rail access to Port Columbus and identify how rail could interface with a multimodal transportation center.
3. Identify opportunities for increased connectivity and service enhancements and establish multimodal goals and objectives.
4. Submit recommendations for future capital investments and prioritization of investments to enhance multimodal infrastructure.

Port Columbus International Airport



Securing Air Service

Air Service Working Group

Purpose:

Identify and prioritize top air service needs of the community; expand awareness of and support for air service development efforts; and develop tools and strategies to attract targeted airlines to meet the identified air service needs.

Understanding, Improving and Expanding Direct Air Service

Good Air Service Supports Economic Development – and Economic Development Drives Air Service Levels

- Columbus is a strong and growing market for air service.
- Community has good air service, however, we want more non-stop flights.
- A partnership between the City, business community, CRAA and other stakeholders is critical for success.

Columbus Market is Strong

- Growing population base
- A diverse economy
- Home to 15 Fortune 1000 headquarters
- Nearly 600 international firms
- More than 50 college and university campuses with nearly 150,000 enrolled students.

Columbus Air Service | 1Q2014

142 peak day departures | 34 airports



Top Three Ohio Airports

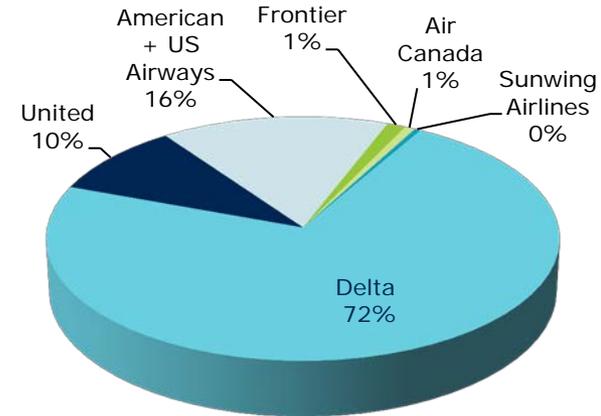
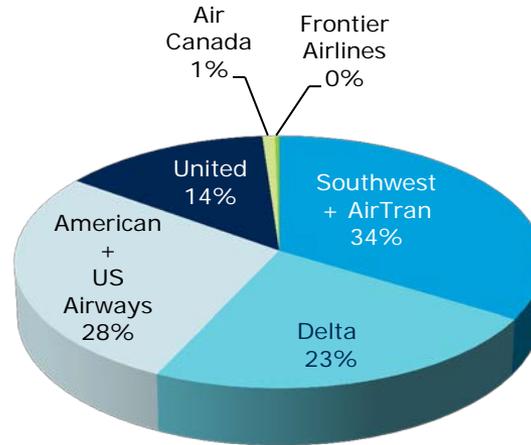
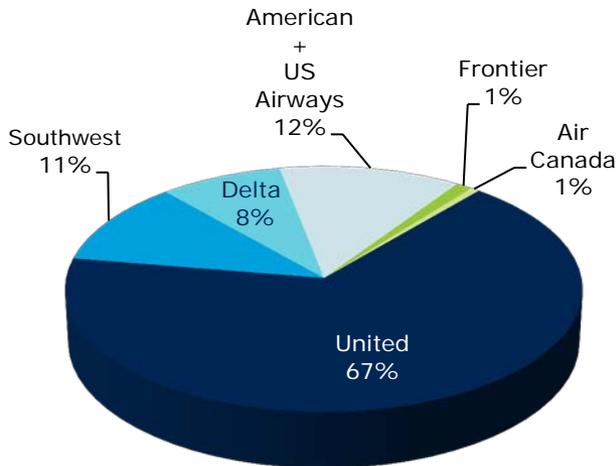
2013 Airline Market Share

83% of Ohio's 16.6m Seats

Cleveland
35%

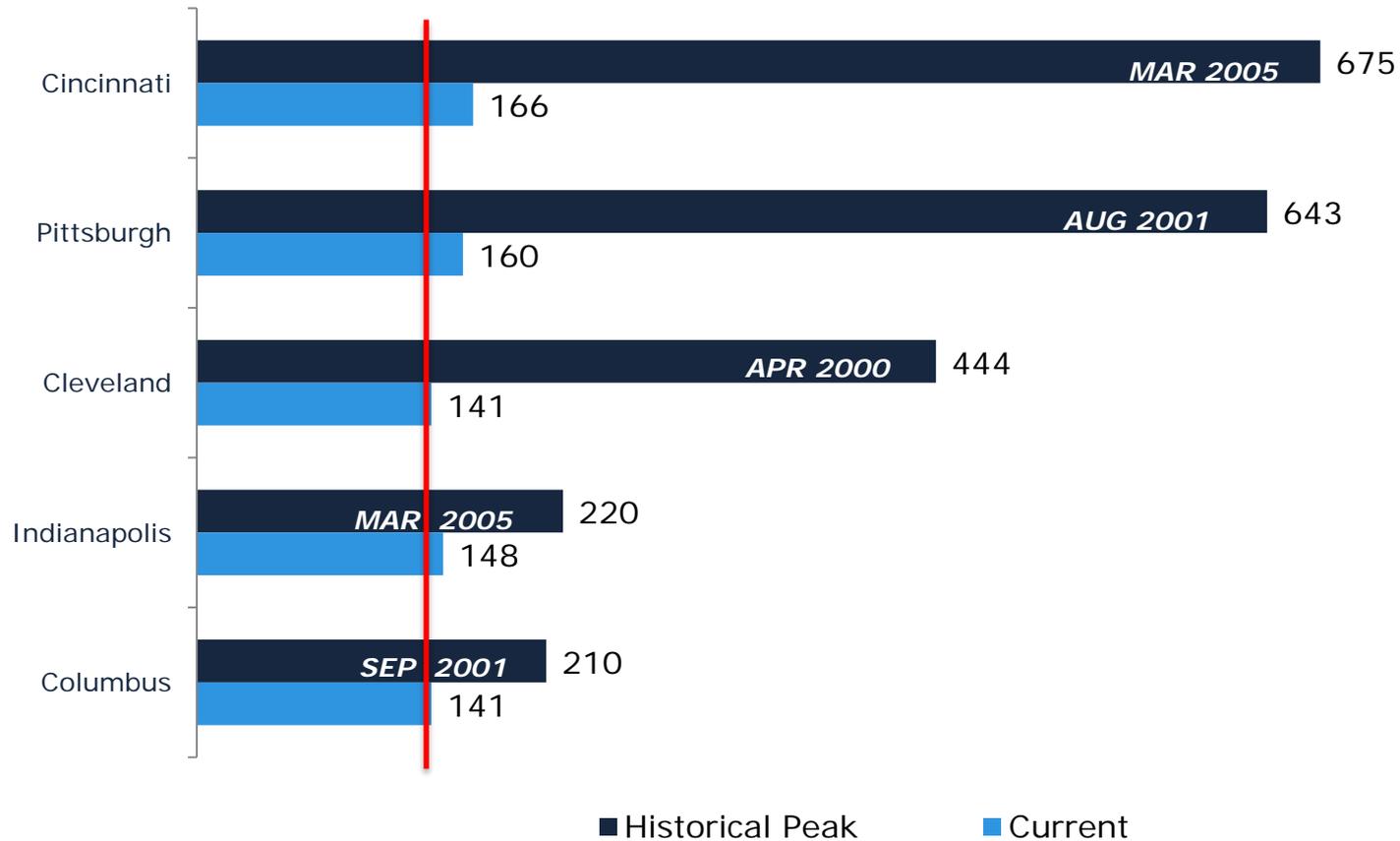
Columbus
25%

Cincinnati
23%

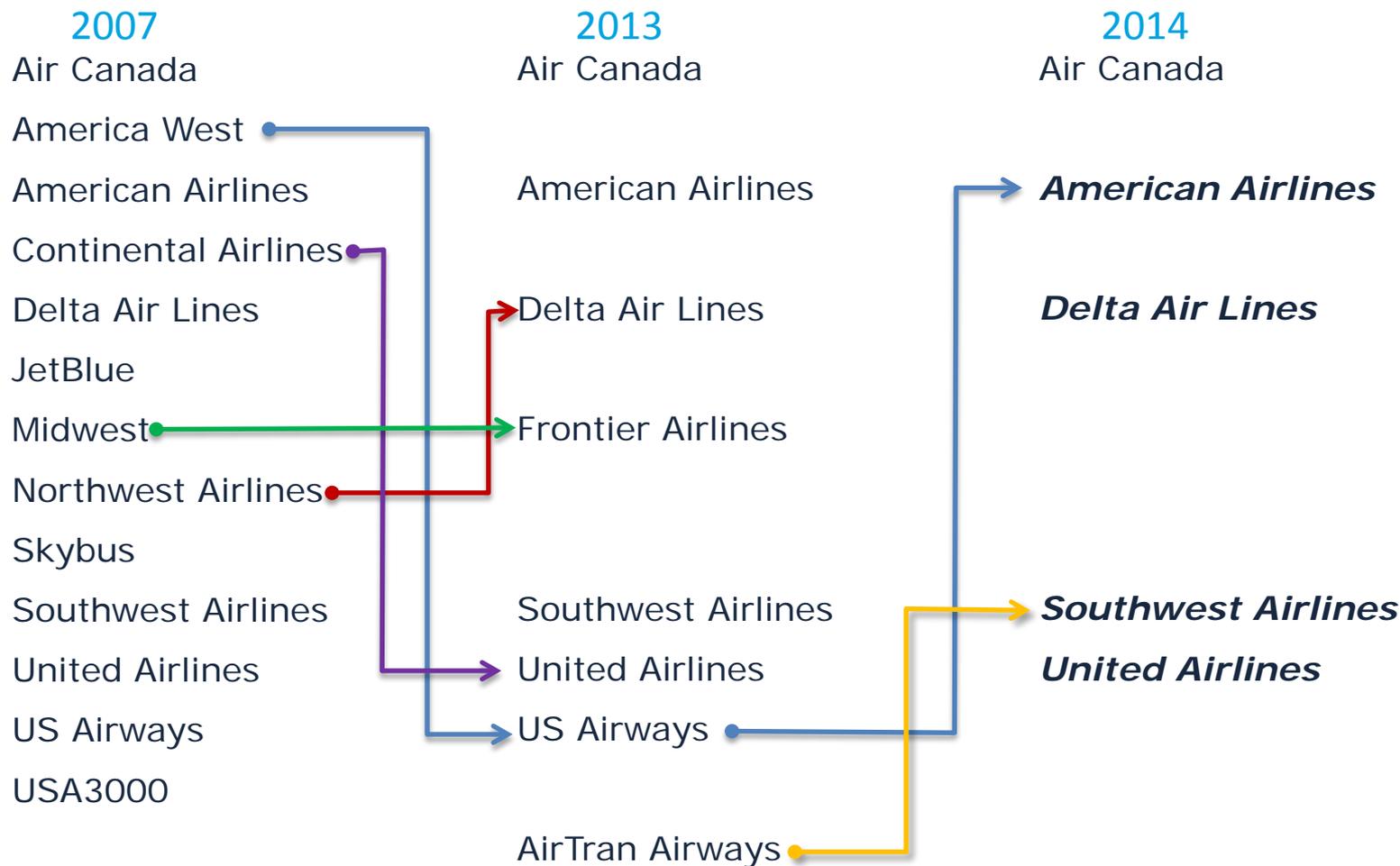


Source: CRAA Analysis of Diio Mi Schedule data, 12 months ending December 2013

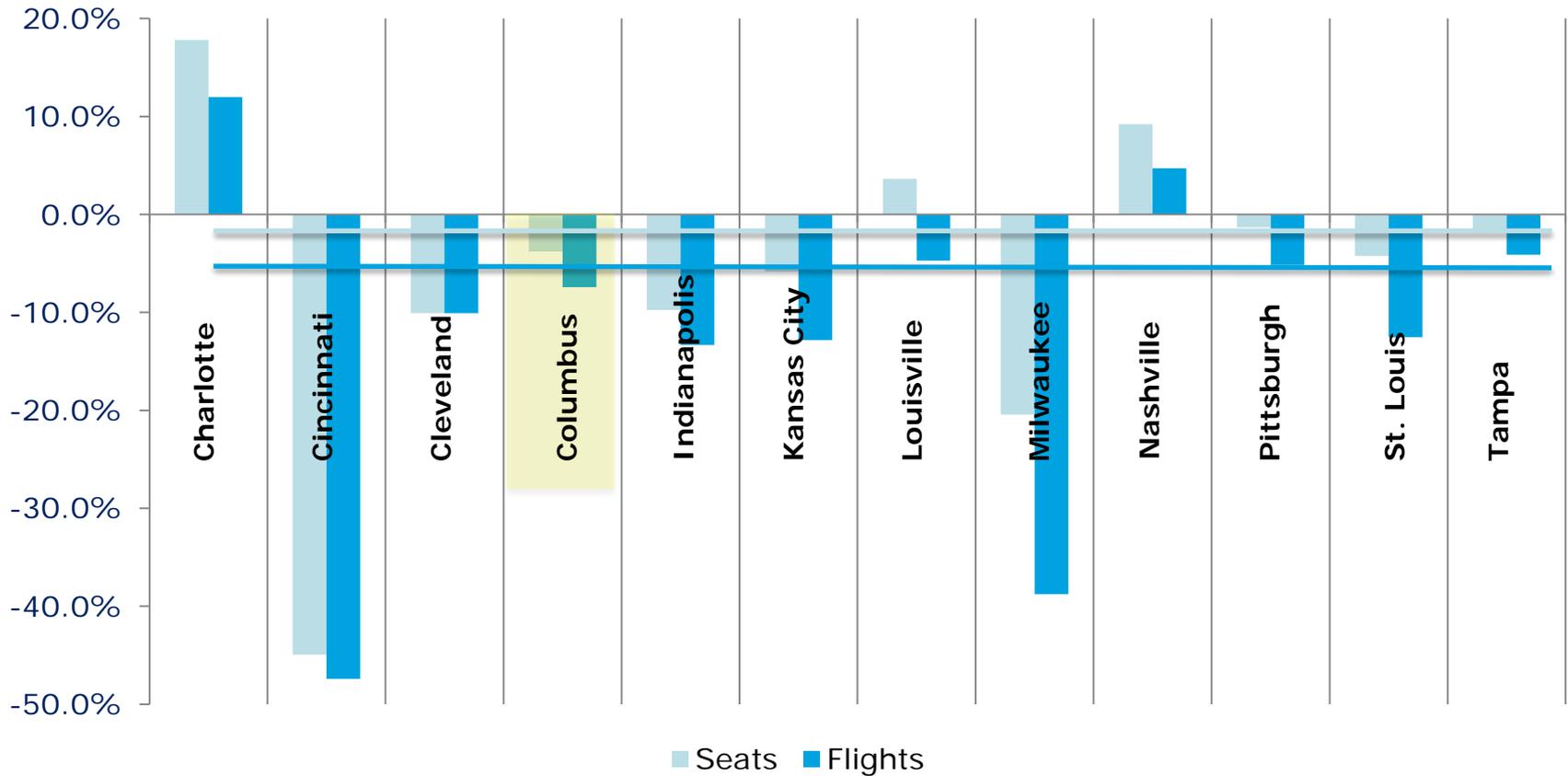
Airport Departure Changes



.... a Changing Industry Presents Challenges



Change in Annual Seats & Operations 2009 vs. 2013



Scheduled Seat Capacity

Columbus vs. Peer Markets | 1Q2014

City	Capacity (Seats)	
	1Q 2014	% Change
Raleigh/Durham	1,458,740	8.5%
Austin	1,504,747	4.8%
Indianapolis	1,117,256	4.2%
Columbus	1,011,987	4.0%
Nashville	1,689,245	3.5%
Pittsburgh	1,209,798	2.3%
Milwaukee	1,029,505	-0.6%
Kansas City	1,527,544	-0.8%
Cincinnati	878,645	-3.2%
Louisville	517,050	-5.2%
St. Louis	1,923,575	-6.8%
Cleveland	1,312,433	-7.3%
Dayton	356,762	-8.1%
Akron/Canton	243,892	-13.4%

Air Service Strategy – Our Goals

- Retain existing service
- Secure new service to target markets
 - Not currently served
 - Or underserved
 - Provide competition, increase airline seats
- Target Markets:
 - Domestic: San Francisco, Seattle, San Diego
 - International: London, Paris, Tokyo
- Incentives
 - Waived airport fees (landing and terminal rentals)
 - Marketing assistance
- Partnerships
 - City of Columbus, Franklin County, Jobs Ohio, Columbus 2020, Experience Columbus, etc.

2014 Tactical Strategy

Domestic incumbent & prospective carriers

UNITED



- Continued development of SFO business plan and dialogue with UA planning
- Aggressively pursue equipment upgrades across several regional jet markets

allegiant

Service from LCK

- Pursue expansion in existing markets & continue new market discussions
- Position CMH for international service as Allegiant's business model evolves

Other North American Carriers

spirit
airlines

Will remain in expansion mode with new aircraft coming online

jetBlue

Business model and scope have improved at Boston and New York since previous CMH service

virginia
america

Carrier focused on SFO/LAX expansion; network growth likely on hold until 2015

Alaska Airlines

Carrier hub focused on Seattle, LAX & new San Diego expansion

WEST
JET

New Encore/Q400 product will present interesting opportunity – but likely for 2015 and beyond

2014 Tactical Strategy

Domestic incumbent & prospective carriers



- Pursue other key market opportunities
ex: Houston Hobby
- Position CMH for international service as Southwest's integration and business model evolution nears completion



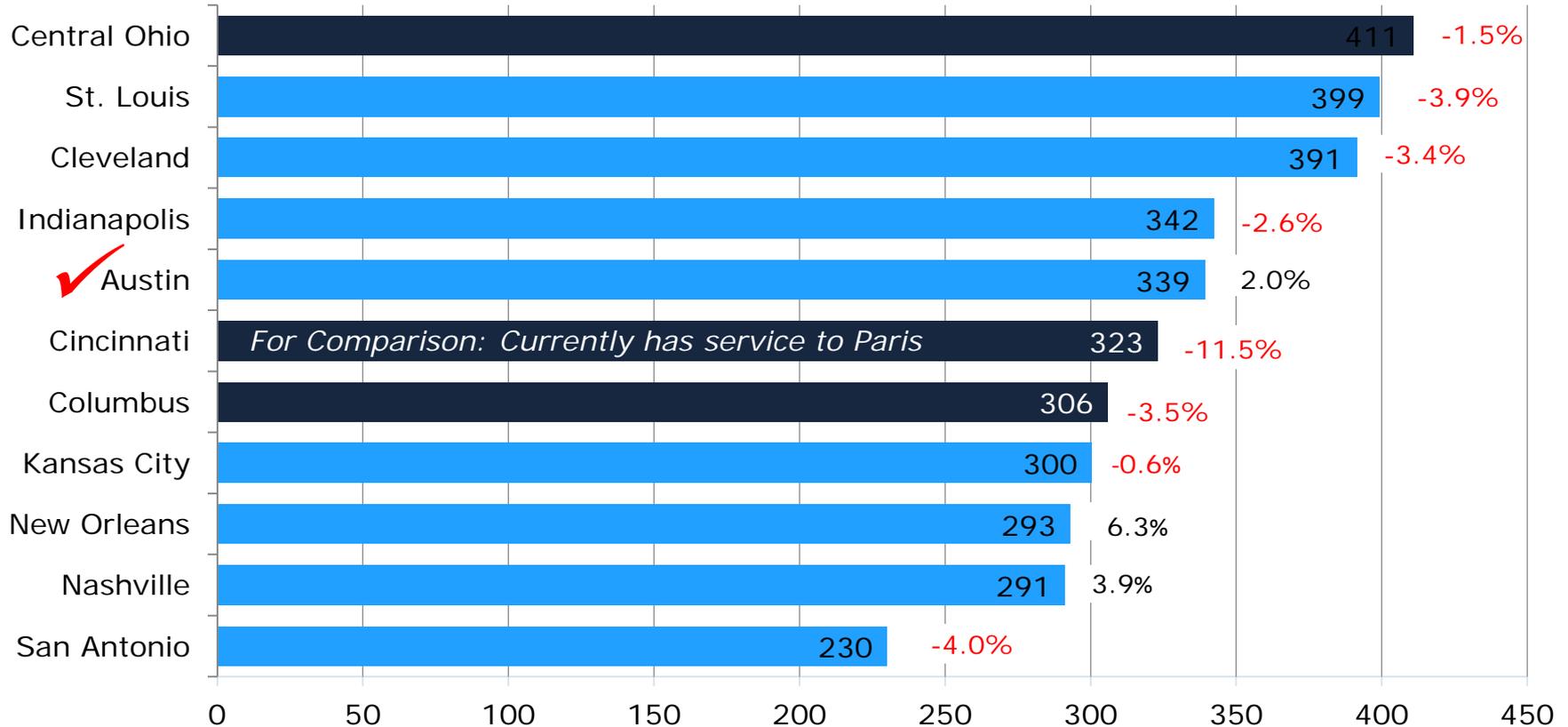
- Work with new American planning group to optimize post-merger service pattern
- Monitor performance of new LAX non-stop
- Continue promoting joint AA/BA business case to London



- Continue to promote tactical point-to-point opportunities, including Seattle and Philadelphia
- Monitor performance of LAX non-stop
- Continue to monitor any change in carrier strategy at Salt Lake City

International Largest U.S. Cities without European Service

Europe, Middle East, Africa, and India | Passengers Daily Each Way



Source: IATA BSP and ARC passenger ticketing data via Diio Mi Emi for 12 Months Ending October 2012

Access via International Gateway's

Passengers Daily Each Way | Port Columbus

	Alliance	Airlines	Local Passengers	Potential Connections	Total																						
EUROPE	oneworld	BRITISH AIRWAYS	40	222	262																						
		American Airlines				EUROPE	SKYTEAM	AIRFRANCE	17	226	243	DELTA	ASIA	STAR ALLIANCE	ANA	37	109	146	UNITED	ASIA	oneworld	JAL	37	106	143	JAPAN AIRLINES	
EUROPE	SKYTEAM	AIRFRANCE	17	226	243																						
		DELTA				ASIA	STAR ALLIANCE	ANA	37	109	146	UNITED	ASIA	oneworld	JAL	37	106	143	JAPAN AIRLINES			American Airlines					
ASIA	STAR ALLIANCE	ANA	37	109	146																						
		UNITED				ASIA	oneworld	JAL	37	106	143	JAPAN AIRLINES			American Airlines												
ASIA	oneworld	JAL	37	106	143																						
		JAPAN AIRLINES																									
		American Airlines																									

Source: IATA BSP and ARC passenger ticketing date via Diio Mi Emi for 12 Months Ending October 2012

2014 Tactical Strategy

International prospective carriers

BRITISH AIRWAYS

#1 European Target

- Re-engage with the new faces on the British Airways team; drive support for CMH at the new American as well
- Create compelling opportunity plans for both near and long term
 - Emphasize CMH's competitiveness to other markets

Other European Carriers

AIRFRANCE  **KLM** 
Service to Paris or Amsterdam

 **Lufthansa**
Service to Frankfurt

Alternative European targets

- Understand carrier strategies for North America expansion
- Create long and near term strategic plan

Other International Carriers

Continue to maintain dialogue

ANA  
JAPAN AIRLINES

- Columbus' regional corporate environment offers a strong market profile to Japan
- Maintain dialogue with Latin America carriers regarding consistent Mexico leisure service
 - Potential for longer-term expansion to other markets

Next Steps

- Identify local companies with business ties to identified strategic market priorities.
- Collaborate with community leaders to develop incentives to support new service.
- Enhance public awareness regarding level of current air service.
- Enhance Columbus' image as a strong business market to the airlines.
- Raise awareness of Columbus as a strong visitor destination.
- Develop a framework and approach to sustain and grow community support and engagement on air service development.