

RESOLUTION NO. _____

A RESOLUTION OF THE COUNCIL OF THE CITY OF SANTA BARBARA UPDATING THE SANTA BARBARA AIRPORT AIR SERVICE DEVELOPMENT INCENTIVE PROGRAM ESTABLISHED BY RESOLUTION IN 2009 TO SUPPORT THE DEVELOPMENT OF NEW AND INCREASED NONSTOP DESTINATION AIR SERVICE AT SANTA BARBARA AIRPORT

WHEREAS, the City is the owner and operator of the Santa Barbara Airport (Airport); and

WHEREAS, readily available air transportation options are vital to the economic growth, stability and quality of life of the City and the region; and

WHEREAS, under the Policy and Procedures Concerning the Use of Airport Revenue issued by the Federal Aviation Administration (FAA) on February 16, 1999, the Airport can offer economic incentives to commercial air carriers on a non-discriminatory basis for a promotional period in order to attract desired air service.

NOW THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF SANTA BARBARA THAT:

Section 1. The Council does hereby adopt and direct the Airport Director to execute an air service development policy for qualified air carriers and service as outlined below:

- A. Santa Barbara Airport may provide economic and/or non-economic incentives to a new air carrier, or incumbent air carrier that provides new non-stop service to a destination that is not currently served by the Airport.
- B. The new or incumbent airline must be willing to execute a signatory operating permit with the Airport and meet the operational requirements stipulated by this permit.
- C. New non-stop service must be to a destination that has not been served by that airline within the previous twelve (12) month period.
- D. The service provided by the new or incumbent airline must be offered a minimum of three days a week.
- E. The service provided must also be offered on a year-round basis for a minimum schedule of nine continuous months from the start date of service.

Section 2. The Council does hereby adopt the following incentive measures for qualified air carriers and service as outlined below to be provided at the discretion of the Airport Director:

- A. Waiver of landing fees applicable to aircraft serving the new non-stop destination(s) for a limited duration, not to exceed 12 calendar months, to commence on the first date of non-stop service. For service offered on a less than daily departure frequency, waiver of landing fees may be offered on a pro-rated basis. If the air carrier reduces frequency of service or a reduction in initial seat capacity by more than 20%, the Airport may reduce the waiver of any rate or fee correspondingly.
- B. Support for marketing and promotion of new non-stop service in the Santa Barbara catchment area and/or in the destination market for a limited duration not to exceed 12 calendar months and a monetary value not to exceed \$100,000. Advertising and promotional expenditures as well as earned media exposure and the commitment of City staff resources to market the non-stop service qualify to satisfy the marketing incentive.
- C. Any marketing plans developed by the air carrier and/or its representatives must be approved by the Airport Director in order to qualify for Airport participation and financial support. Payment for marketing efforts must be paid directly by the Airport, not as reimbursement to an air carrier.
- D. All incentives will be offered on a reasonable, nondiscriminatory basis to any air carrier seeking to offer qualified new service.
- E. Marketing incentives, including non-monetary support, will be provided in a manner that promotes the new air carrier and/or non-stop destination(s) as well as Santa Barbara and Santa Barbara Airport.
- F. The City will make reasonable determinations regarding the level of incentives offered based upon the economic and community benefit realized in the Santa Barbara catchment area.