

Lunken Airport Oversight Advisory Board Meeting Minutes
April 15, 2024

Present: Anne Sesler, Jeff McClean, Todd Pease, Elissa Pogue, Pete Riddle, Robert Roark, Neil Tilow
Also: Bob Vickrey, Jaime Edrosa, Mike Brenner, Dave Crockett, Patti Newberry, Elaine Luchi

I. Roll Call

II. Approval of Minutes

The Minutes of the February 12, 2024, meeting were approved and will be available at <https://www.cincinnati-oh.gov/dote/lunken-airport/lunken-airport-boards/>

III. Hotel Development Update

Anthony Cadle of Community and Economic Development was not in attendance, but he provided Jaime with an update prior to the meeting. The city and van Rooyen Group are still working together to proceed with the hotel project. The developer is redesigning the project to meet Federal Aviation Administration (FAA) regulations with respect to height restrictions. This redesign has altered the scope and budget requiring additional underwriting, and it may require resources from the city. The project is now proposed to have 35 hotel rooms, with food and beverage space, and event space. Due to the reduced height the final square footage is not yet determined. The development group continues to pursue financing, specifically historic tax credits. Presently, there is no set timeline. Follow-up questions for Anthony are:

- Is there a drop-dead date for the city to move in another direction?
- Is the City willing to provide financial incentives?
- When does the developer anticipate submitting the revised plans?

IV. Operations Report

Operations for 2024 stand at 23,058. Numbers for January and March were less than 2023; however, this is likely weather-related. Flight schools, which comprise approximately 60% of Lunken's operations, are especially susceptible to adverse weather conditions.

V. Financial Report

Fiscal Year 2024 Net Revenue is \$611,322.18. This is less than the same period in FY 2023; however, Lunken was reimbursed in FY 2023 for property taxes paid on parcels that are now exempt. When a comparison is conducted excluding the reimbursements, the Airport's revenue has increased by \$180,995.14. In other areas, personnel costs are up due to new hires and the contractual services line item is larger because of repairs needed to Lunken's pump house. Although river levels are presently elevated, and some water has encroached onto the Airport, no usable pavement or critical areas are impacted. Standing water on the airfield is not an unusual occurrence, and Mike Brenner and the Airport Maintenance Staff are experienced in the procedures and equipment to mitigate it.

VI. Customs Facility Update

Lunken has received more than fifty requests for Customs and Border Protection (CBP) clearance since January 12. Although aircraft are required to obtain prior approval, there have been instances of flights arriving unannounced. The Airport and P&G are working with CBP to ensure that all arrivals have been verified in advance and do not conflict with P&G's operations.

The city continues to explore its options for a permanent CBP location on Lunken. Preferably, an existing facility could be retrofitted to meet CBP standards. It is likely a consultant from the

City's list of firms on contract will be asked to conduct a Site Study. Lunken is requesting that funds are allotted in their FY 2025 budget to conduct this CBP facility study.

VII. Landing Fee Request for Proposals (RFP)

The city received three responses to the RFP for Landing Fee collection services. A three-person committee (Jaime, Anthony, and Matt Brinck, Transportation and Engineering Accounting Division Manager) have been asked to score each proposal. The committee will make the final selection. It is anticipated that a selection will have been made, and possibly a contract in place, before the LAOAB meets next.

VIII. Real Property Specialist – Jeannie Bechtold

Jeannie has worked for the City and County governments for many years. In addition to her experience, she is also a Certified Appraiser. She is working on updating leases and determining fair market values of the various parcels on Lunken.

IX. Futures Commission Report

The Futures Commission reached out to the Airport in mid-2023 for information from a business and aviation operations perspective. They were made aware that Lunken operates as an enterprise fund (revenue generated at the Airport is available for use only by the Airport). The Report was released on April 11, 2024, with the recommendation that the city explore a lease opportunity with Cincinnati/Northern Kentucky International Airport (CVG). CVG currently has an operating agreement with Miami University Airport in Oxford, OH.

The Report asserted that Lunken is operating at about half of its potential capacity. It is unknown how they arrived at this conclusion, but they may have considered the Federal Aviation Administration's airfield capacity analysis/model that is typically looked at as part of an Airport Layout Plan (ALP) update. It is also possible that they compared Lunken's recent operations with its peak of 223,000 in 1976. There are many factors for the decline in corporate and general aviation including dwindling manufacturing of small, single-engine aircraft, prohibitive costs, and decreased corporate activity with the advent of online meeting options.

The Commission also recommended the sale or lease of City-owned golf courses. Although Reeves Golf Course is located on Airport property, it has never been looked at as a potential site for additional hangars during the ALP update process.

The Report will continue to be an item on future meeting agendas.

X. Miscellaneous

The recent solar eclipse had no impact on Lunken's operations.

XI. New Business

Board Members were asked to inform Anne of upcoming vacations so that the meeting schedule can be adjusted if necessary.

Submitted by Elaine Luchi
Lunken Airport Administration

Next meeting: Monday, June 10, 2024, 4:00 p.m.- 5:00 p.m.