

Memorandum



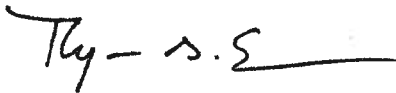
DATE August 14, 2015

TO Members of the Economic Development Committee:
Rickey D. Callahan (Chair), Casey Thomas, II (Vice Chair), Adam Medrano, Lee Kleinman, Carolyn King
Arnold, B. Adam McGough

SUBJECT **Dallas Executive Airport: Update**

On Monday, August 17, 2015, you will be briefed on the Dallas Executive Airport: Update. The briefing materials are attached for your review.

Please let me know if you have any questions.



Ryan S. Evans
First Assistant City Manager

C: The Honorable Mayor and Members of the City Council
A.C. Gonzalez, City Manager
Warren M.S. Ernst, City Attorney
Craig D. Kinton, City Auditor
Rosa A. Rios, City Secretary
Daniel F. Solis, Administrative Judge
Eric D. Campbell, Assistant City Manager

Jill A. Jordan, P.E., Assistant City Manager
Mark McDaniel, Assistant City Manager
Joey Zapata, Assistant City Manager
Jeanne Chipperfield, Chief Financial Officer
Sana Syed, Public Information Officer
Elsa Cantu, Assistant to the City Manager – Mayor & Council

Dallas Executive Airport: Update



Economic Development Committee
August 17, 2015



**DALLAS
ECONOMIC
DEVELOPMENT**



Purpose

- Provide background about Dallas Executive Airport.
- Describe recent and ongoing development activity.
- Present ongoing development and proposed future development.

Facility Overview

1,040 acres of land, with two concrete runways

- 13/31 measuring 6,451' L and 150' W.
- 17/35 measuring 3,800' L and 150' W.

Fully equipped with:

- Air traffic control tower.
- Two full service FBOs.
- Full fire service protection.
- Instrument landing and aeronautical lighting system.
- Navigational radio aids and weather facilities.

Full range of specialty aviation businesses



Addison Airport Area Property Values

Total Property Value within a one-mile radius of Addison Airport:

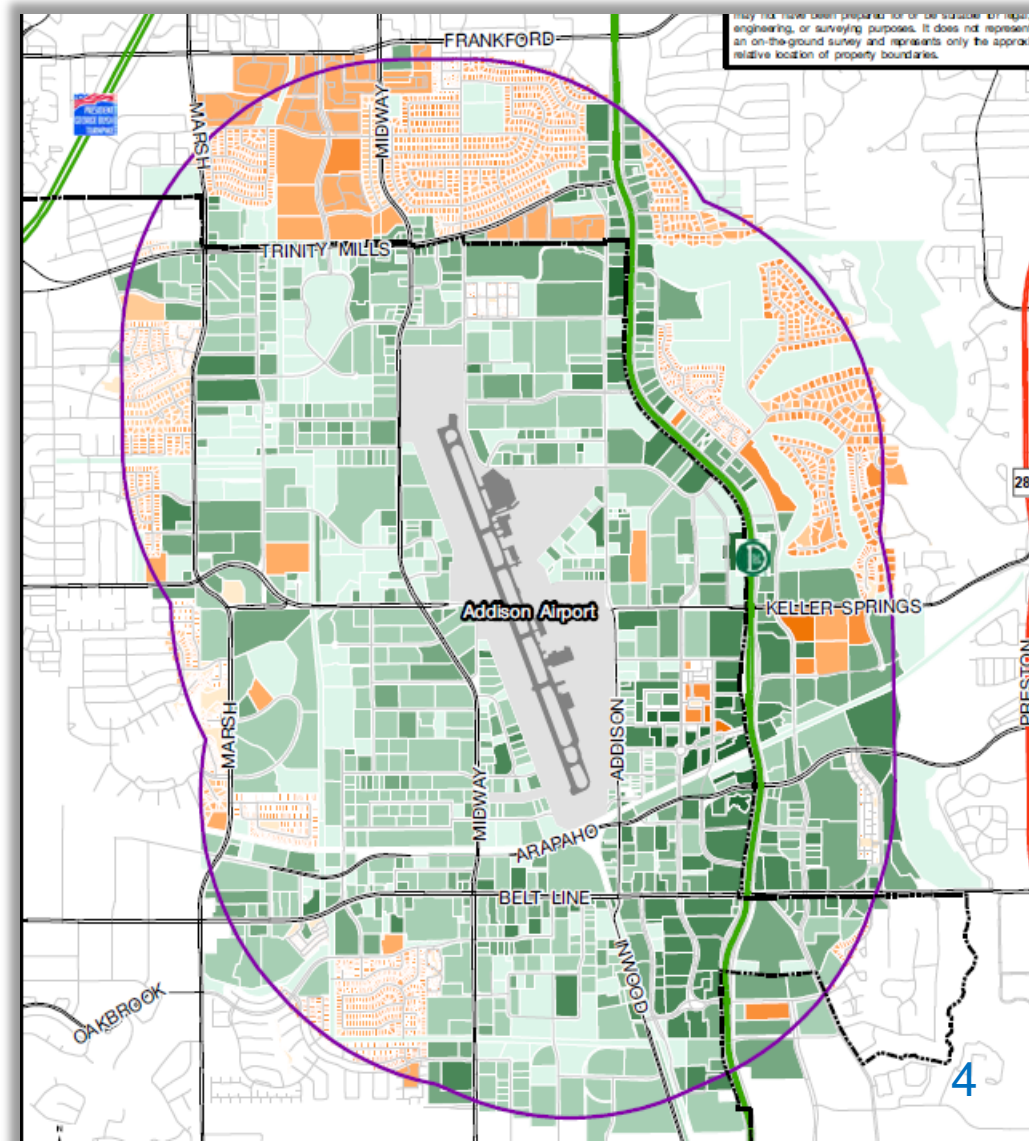
- Commercial - \$4,223,072,256.
- Residential - \$1,385,906,045.

Addison Airport is the premier general aviation (GA) airport in the DFW Metroplex.

- Approximately 15 minutes north of downtown Dallas.
- Comprised of 366 acres and boasts a 7200-foot runway.
- With approximately 100,000 operations annually.
- Addison Airport is one of the busiest GA airports in Texas.

Addison Airport - Real Estate Ground Leases.

- Addison Airport currently has 44 ground-leased properties consisting of more than 3.1 million square feet of land and over 1 million square feet of hangar, office and related facilities.
- Ground lease rates and terms will vary depending on a wide variety of factors including the property size, configuration, landside access, proximity to the flightline, permitted uses, availability of utilities and other infrastructure.
- Unimproved rates range \$0.48 per square foot to \$.65 per square foot along the flightline.



Dallas Executive Airport Area Property Values

Total Property Value within a one-mile radius of Dallas Executive Airport:

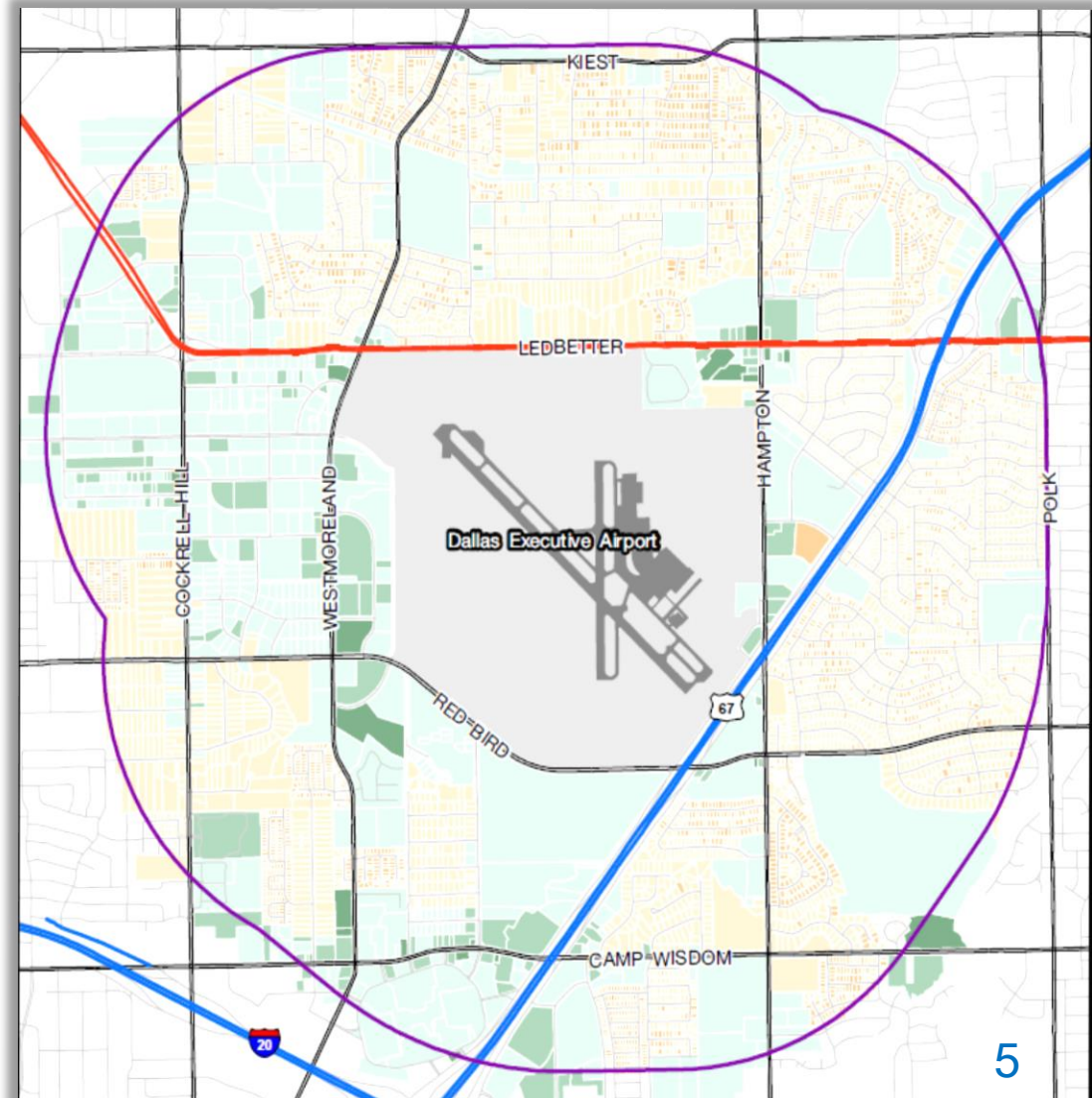
- Commercial - \$540,679,165.
- Residential - \$576,216,040.

Dallas Executive Airport (DEA) is the reliever airport for Dallas Love Field.

- Approximately 10 minutes southwest of downtown Dallas.
- Comprised of 1,000 acres and will soon boast a 7,001-foot runway.
- With approximately 50,000 operations annually.
- The only GA Airport within a 19-mile radius of Downtown Dallas with available real estate.
- In Class D, under Class B Airspace.

DEA - Real Estate Ground Leases.

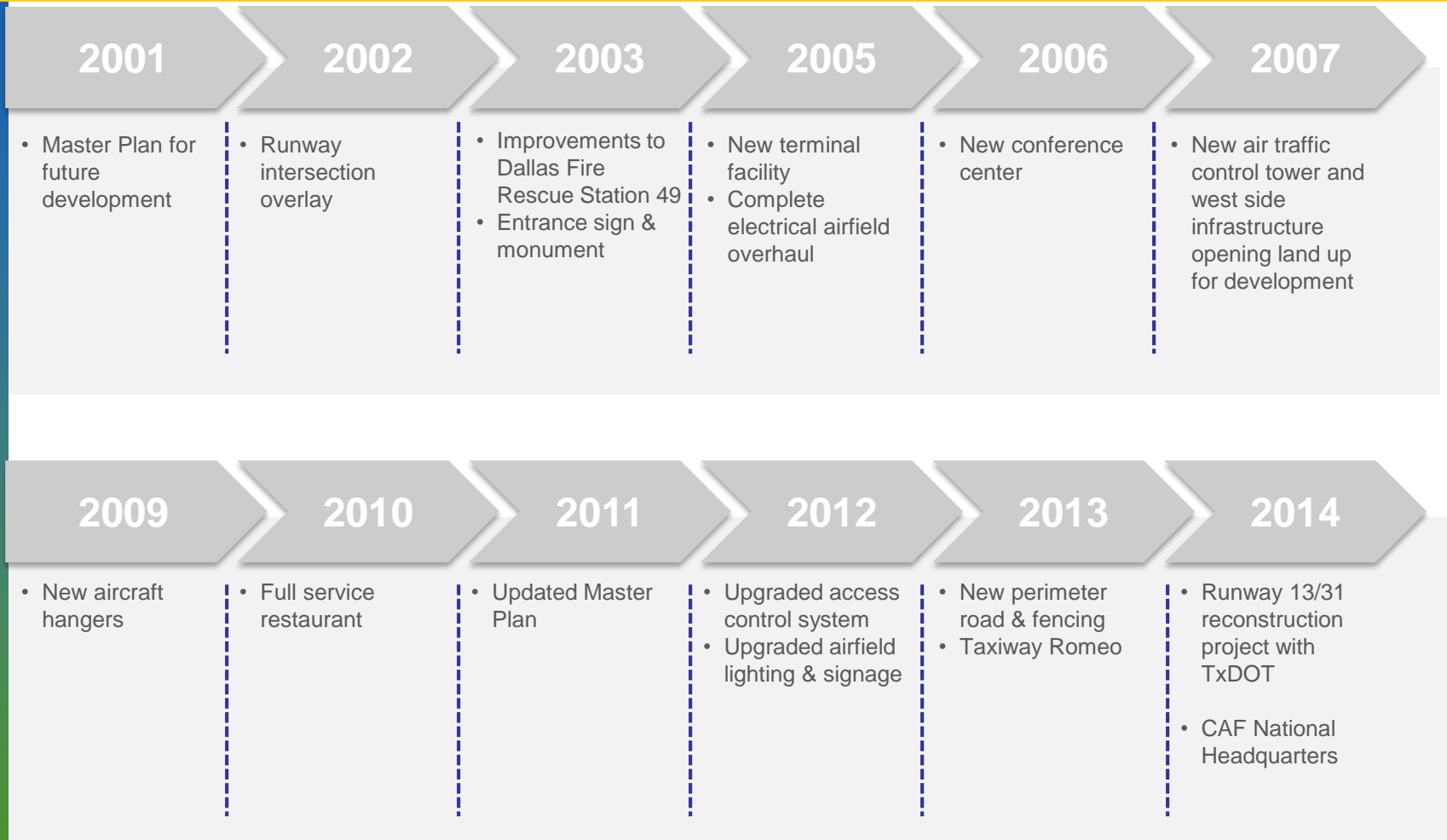
- DEA currently has more than 2.1 million square feet of hangar, land, office and related facilities.
- Ground lease rates and terms will vary depending on a wide variety of factors including the property size, configuration, landside access, proximity to the flightline, permitted uses, availability of utilities and other infrastructure.
- Unimproved lease rates have ranged \$0.13 per square foot to \$.20 per square foot along the flightline.
- Improved land at DEA has leased for \$0.17 per square foot per year, while other airports charge anywhere from \$0.18 to \$0.48 per square foot per year for improved land.



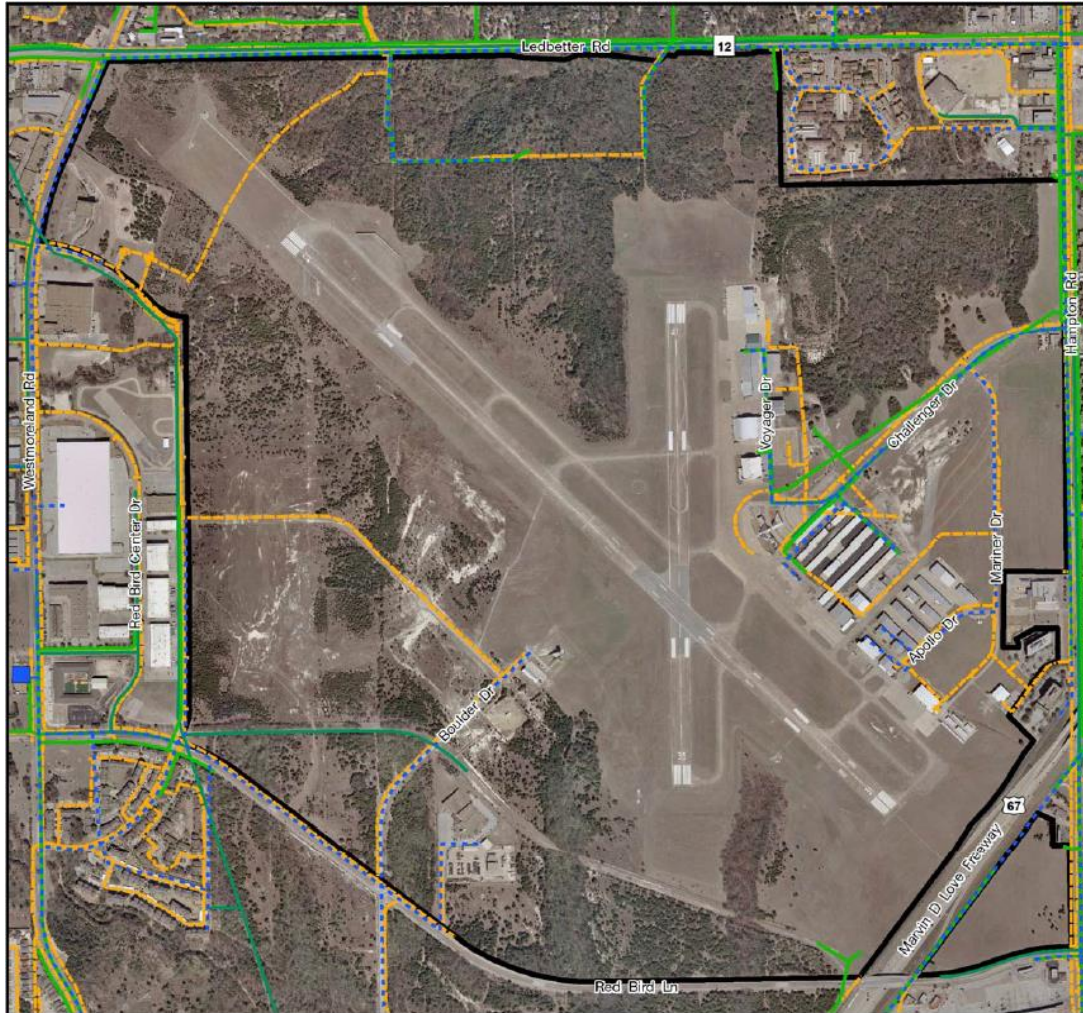
Development Goals

- Replace aging/inadequate infrastructure:
 - Runway
 - Hangar
 - FBO's
 - Taxiways
- Construct catalyst project on the west airside.
- Create venue to enhance public perception and familiarity with airport.
- Increase tax base and create a sustainable airport.

Recent Capital Projects








Infrastructure: Utilities Overview



- All utilities including water, wastewater, electric, natural gas, fiber and coaxial cable located on the airport.
- Remote areas, service can usually be extended in 60 to 90 days.

Utilities

-  Electric Substation
-  Electric Line
-  Fiber Optic Cable
-  Natural Gas Line
-  Pressurized Water Main

Available Land for Development

GA Airports Near Downtown Dallas

- Mesquite 100 acres
- Addison 25 acres
- Lancaster 45 acres
- McKinney 46 acres
- Dallas Executive 480 acres

Development-Ready Land

- Over 480 acres
- 130 acres *Aeronautical*
- 350 acres *Non-aeronautical*

LEGEND

Land Overview

- Airfield Operations
- Aviation Related Development
- Mixed Use Aviation/ Non-Aviation Related Development
- Non-Aviation Related Development
- Open Space/Recreational
- Public/Institutional
- Existing Airport Property Line

Runway Reconstruction

- Phase 1A
- Phase 1B
- Phase 1C
- Phase 2
- Phase 3

Utilities

- Electric Substation
- Electric Line
- Fiber Optic Cable
- Natural Gas Line
- Pressurized Water Main



Next Development

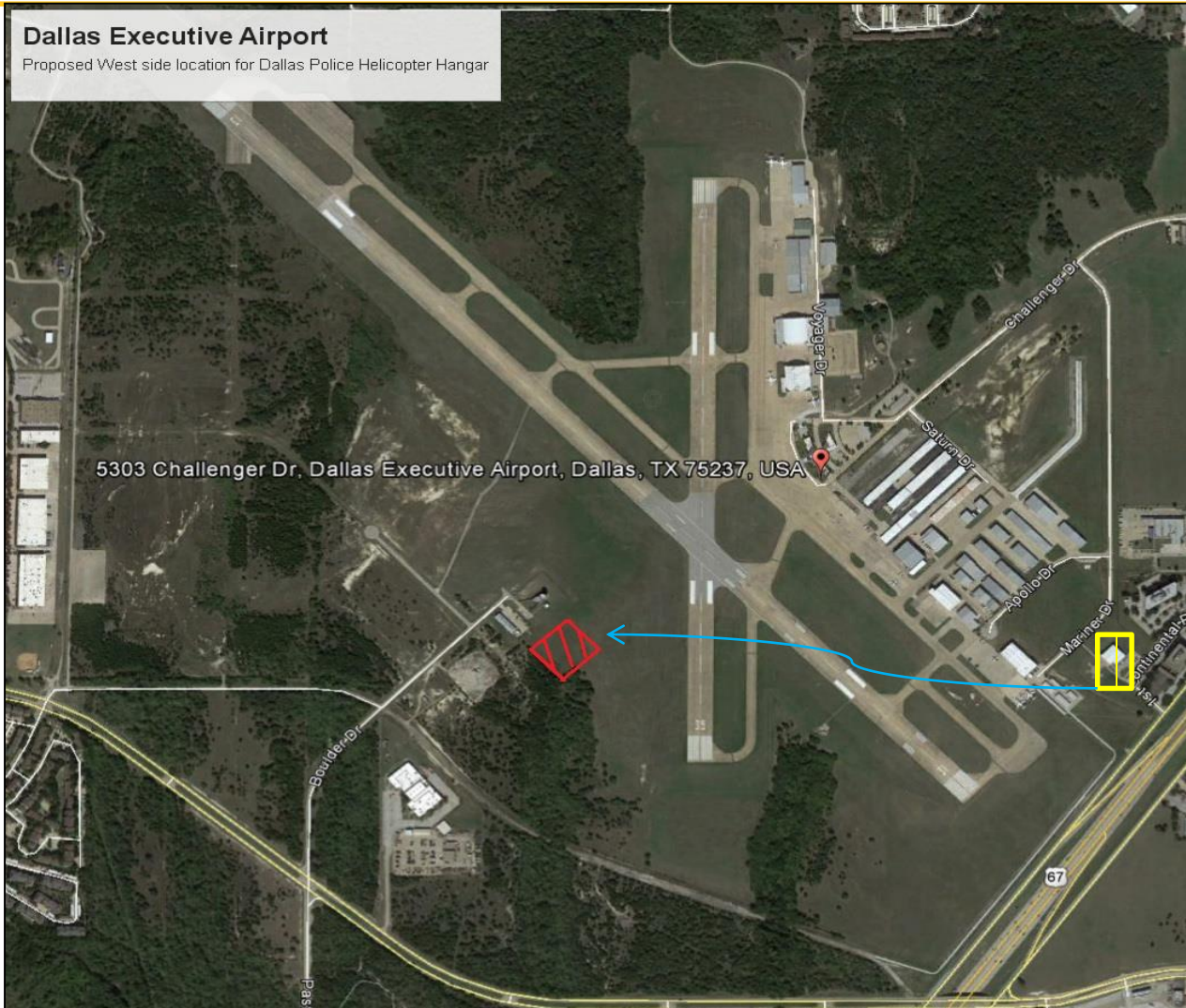
- Relocation of the Dallas Police Helicopter Hangar:
 - Current facility has reached end of its useful life.
 - RFP for Design build contract issued.
 - DPD Helicopter Unit needs improved office and locker room facilities.
 - Will be next step in redevelopment of west side of the airport as well as provide greater security to DPD Hangar Facility.
 - Estimated cost \$3 million.

DPD Hangar Development Schedule

- September 22nd, 2015 - Council Approval for Design Contract.
- October, 2015 - NTP Product CD's.
- June, 2016 - NTP Construction.
- Summer 2017 - Construction Complete.

(NTP) Notice To Proceed

DPD Helicopter Hangar

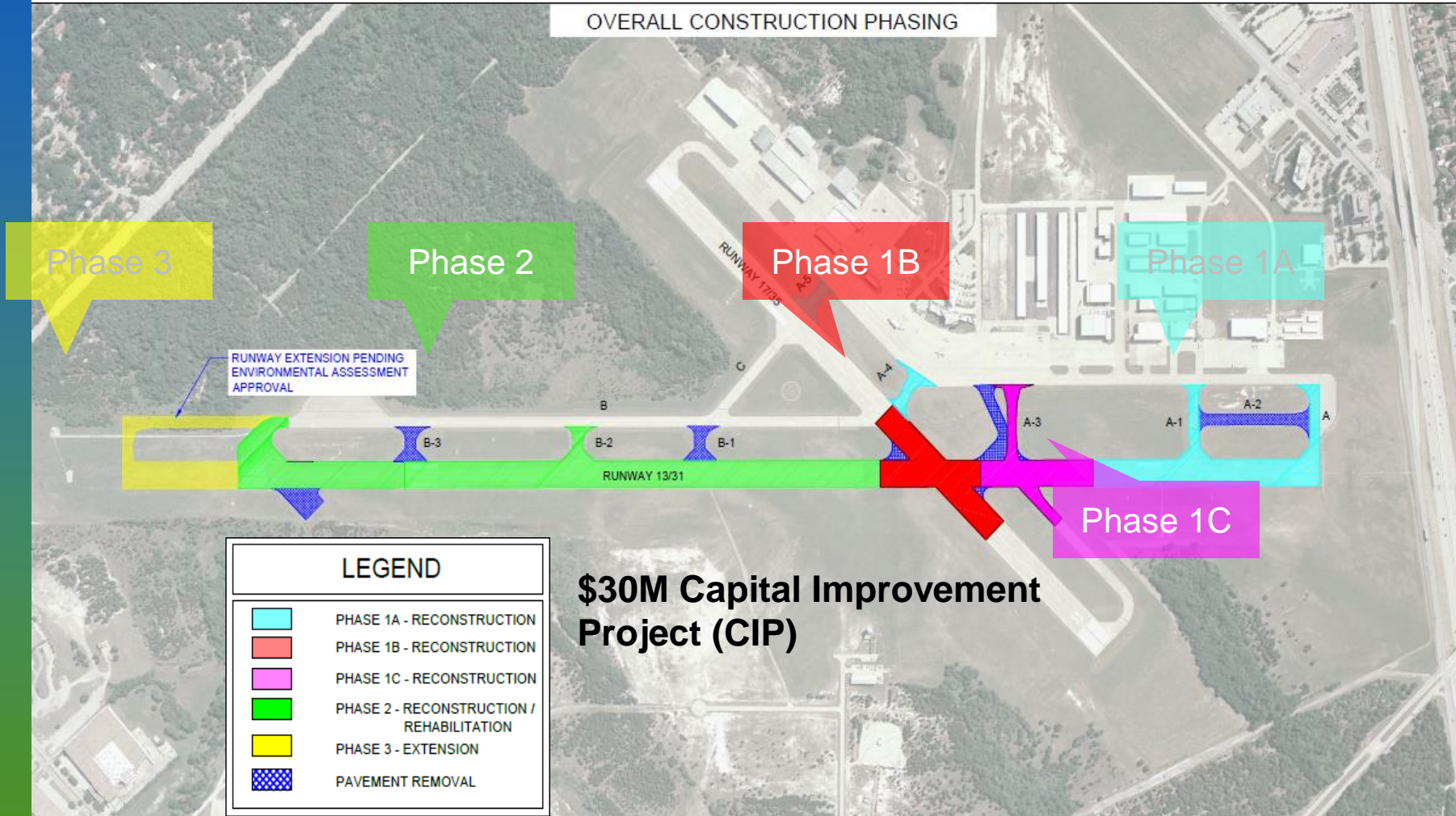


Development Today

Runway 13/31 Reconstruction



Runway Reconstruction Plan



Runway Reconstruction Plan Timeline

Description	Phase	Estimate Construction Start Date	Estimated Construction Time	Runway 17/35 Availability	Runway 13/31 Availability	Largest Type of Aircraft Using Airport
Runway 17/35 & Runway 13/31 Intersection Reconstruction	1 B	Start Date July 13 th 2015	3-4 Months	17/35 Closed	3,200'	Twin Piston
Runway 31 End reconstruction (South)	1 A&C	Start Date March 9 th 2015	7-8 Months	Open	4,200'	G-II
Runway 13 End Inter section (North) reconstruction	2	Fall 2015	9-10 Months	Open	Closed	Citations
Runway 13 Extension (685 feet)	3	Spring 2017	6-7 Months	Open	5,730'	G-IV

Public Input

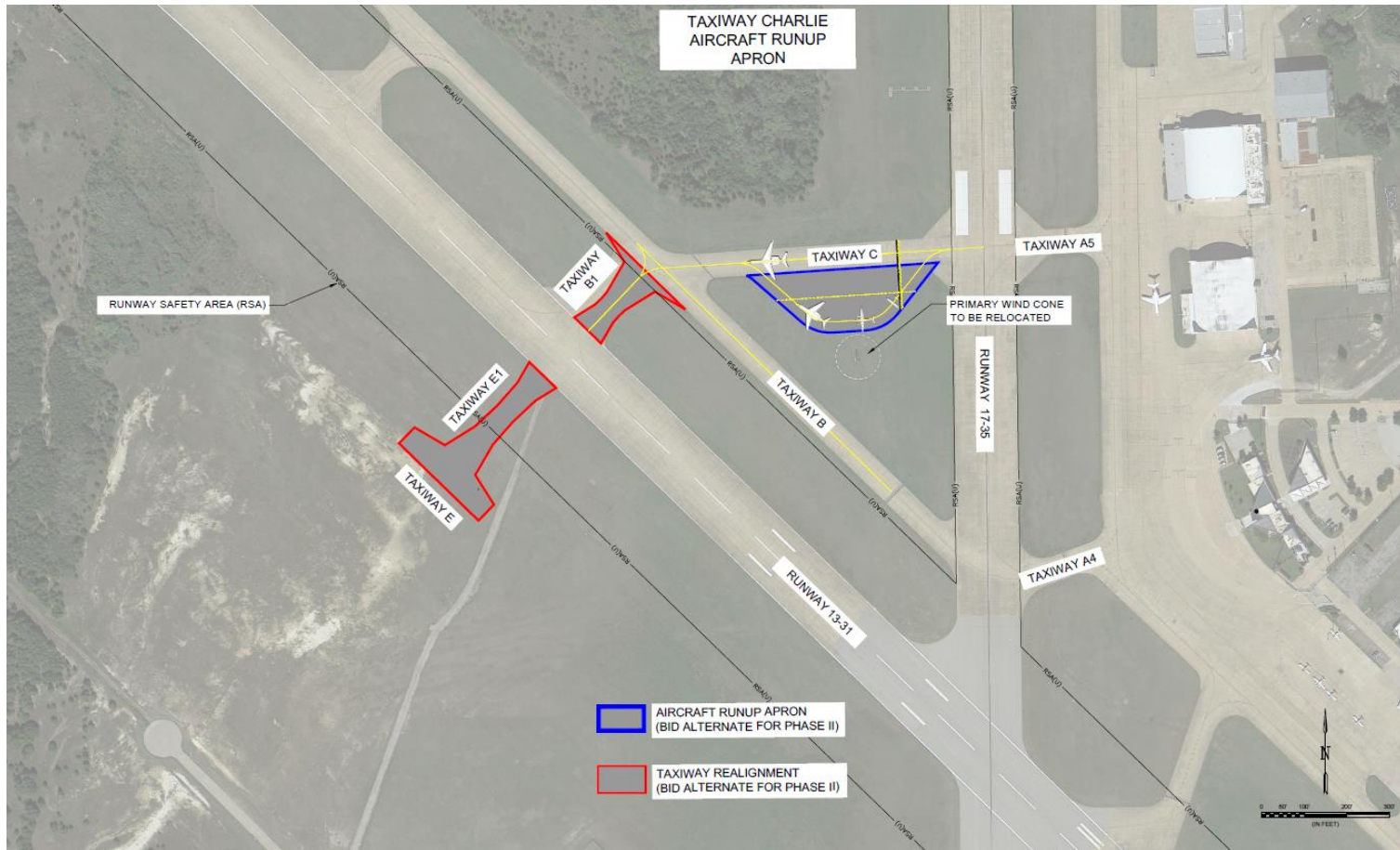
- As part of the Master Plan process, a New Public Advisory Committee was created to re-review the master Plan draft.
- One of the key issues was the designation of Dallas Executive Airport as a D-II airport, recognizing the use by smaller aircraft.
- The Master Plan has been updated to reflect the emphasis on DEA remaining a D-II airport and not to actively seek to expand to a D-III classification.
- City additionally worked with TxDOT to redesign the existing 150' wide runway to a new 100' wide design consistent with the D-II classification.

Public Safety

- During the Public Advisory Committee meeting recommendations to move the Maintenance Run-up Area from the north end of runway 13 of the airport next to neighborhoods and relocate it to the center of the airport for noise prevention.
- By moving the Run-up area to Taxiway C this will allow both the realignment of the west side taxiway and Run-up area to be combined and structured at the same time.
- The Aviation Department will be working on a RFP for the design of the west side taxiway realignment and the relocation of the maintenance run-up area.

Maintenance Run-up Area

West side taxiway and relocation of maintenance run-up area.



Tenants

- During the Reconstruction of Runway 13/31 airport operations have decreased and many corporate aircraft were forced to relocate to other airports causing a drop in revenue to our Fix Base Operators (FBO's).
- Estimated decline in revenue in the amount of \$1,200,000 with the lost of customers and business.
- The Aviation Department will be presenting to Council rent abatement for tenants to offset revenue lost during the runway reconstruction and FBO relocation agreement in September 2015.

Agenda Items

- August 26th Amendment to Res. No. 14-0285 for redesign from a 150' Runway to 100' Runway to keep a D-II runway as requested by PAC. This will have 25' safety shoulders, required for the safety of operation due to the mix of aircraft using the airport, safety shoulders are not covered by TxDOT funding and will require additional funds of \$2,303,893.00 for completion through Phase III as recommended for Council approval on August 26, 2015.
- Also on the August 26th Council agenda is approval of the contract for Routine Airport Maintenance Program Bid for the concrete joint and crack seal for runway 17/35 and Terminal Ramp area for the next two years. MRK Industrial Flooring, Inc. This is funded with 50/50 grant reimbursement through TxDOT previously approved by Council (Res. No. 15-0834).
- September Agenda Item: relocation agreement to the west side to build new FBO and hangar. Also, early termination of lease hold for Jet Center of Dallas (FBO) for the new location of the Commemorative Air Force (CAF) headquarters. Jet Center of Dallas has agreement with CAF for the use until termination is final. Estimated cost not to exceed \$5.14 million upon final appraisal and City Council Approval.

Commemorative Air Force Headquarters Hangar



Next Development

- It has been and will remain a goal of the City of Dallas, Department of Aviation Marketing, to attract corporate business aircraft, aircraft manufacturer facilities, service centers for corporate aircraft, development of non-aviation support businesses, and to implement improvements outlined in our planning documents.

Future West Side

Proposed west side development for future establishments.

