

DANE COUNTY REGIONAL AIRPORT COMMUNITY AIR SERVICE SUPPORT PROGRAM 2018 - 2023

1. PURPOSE

The purpose of the Community Air Service Support Program (“CASSP”) is to establish policies, procedures and minimum requirements under which an Airline may qualify for the abatement of landing fees and assistance with marketing and promotion (the “Incentives”) related to the initiation of New Non-Stop Service, Existing Destination New Non-Stop Service, Reinstated Non-Stop Service, or New Seasonal Non-Stop Service from Dane County Regional Airport to major domestic markets . CASSP has been adopted in compliance the *Policy and Procedures Concerning the Use of Airport Revenue* and the *Policy Regarding Airport Rates and Charges* as promulgated by the Federal Aviation Administration (the “FAA”).

2. TERM AND AMENDMENTS

Assistance to Airlines under the terms and condition set forth herein shall be available January 1, 2018, through December 31, 2023. CASSP may be extended or otherwise amended at any time by the Director of the Dane County Regional Airport. The current CASSP shall be available on the Airport’s website at: _____

3. DEFINITIONS

As used in this CASSP the following terms shall be defined as set forth below.

Affiliated Air Carrier is an air carrier that operates at the Airport for an Airline pursuant to an Affiliated Operating Agreement entered into under the terms of the Airline’s Scheduled Airline Operating Agreement and Terminal Lease.

Airline is an air carrier that operates at the Airport as a party to a Scheduled Airline Operating Agreement and Terminal Lease.

Airport is the Dane County Regional Airport, located in Madison, Wisconsin..

Airport Director is the Director of the Airport

Air Service Promotion and Marketing Agreement (the “Marketing Agreement”) is a contract with Dane County under which an Airline may be eligible for incentives provided through CASSP.

Applicant Airline is an Airline seeking to enter into a Marketing Agreement.

Connecting Hub Airport is an airport to which an Applicant Airline will provide connecting air service to three or more banks, or an equivalent rolling bank, serving forty or more cities daily.

Existing Destination is a destination being served from the Airport by an Airline.

Existing Destination New Non-Stop Service is non-stop Scheduled Air Service to an Existing Destination that has not been served by the Applicant Airline or its Affiliated Air Carrier(s) for the twelve month period prior to the Applicant Airline's execution of a Marketing Agreement involving the Existing Destination.

Focus City Airport is an airport with a concentration of point to point flights to destinations that are underserved by Scheduled Air Service originating at the Airport, as determined by the Airport Director.

Focus Service Region is a contiguous geographical region that is underserved by Scheduled Air Service originating at the Airport, as determined by the Airport Director.

New Non-Stop Service is non-stop Scheduled Air Service to a destination that has not been served from the Airport for twelve months prior to the Applicant Airline's execution of a Marketing Agreement involving the destination.

New Seasonal Non-Stop Service is non-stop Scheduled Air Service, provided at least two times per week for at least five consecutive months during each calendar year, initiated by an Applicant Airline to a destination that has not been served from the Airport for twelve months prior to the Applicant Airline's execution of a Marketing Agreement involving the destination.

Promotional Period is the period during which incentives under CASSP may be available to an Airline. During the Promotional Period promotion and marketing assistance may be provided for no more than twelve months from the date incentives are initially granted, and abatement of landing fees shall be available for no more than twenty-four months from the date that the Airline commences flying to the qualifying destination.

Reinstated Non-Stop Service is non-stop Scheduled Air Service provided to a destination that has not been served from the Airport for at least six months prior to the Applicant Airline's execution of a Marketing Agreement involving the destination, but was last served by the Applicant Airline or its Affiliated Air Carrier(s) no more than twelve months prior to the Applicant Airline's execution of a Marketing Agreement involving the destination.

Scheduled Air Service is air service utilizing jet passenger aircraft with sixty-five or more seats that are listed on at least one national air transportation passenger reservation system.

Top Ten Market is one of the top ten market areas and the airport(s) within each such market area, as measured by the total of origin and destination traffic, to and from the Airport, based on the most recent "Origin and Destination Survey of Airline Passenger Traffic" compiled by the U.S. Department of Transportation.

Top Fifteen Market is one of the top fifteen market areas and the airport(s) within each such market area, as measured by the total of origin and destination traffic, to and from the Airport, based on the most recent "Origin and Destination Survey of Airline Passenger Traffic" compiled by the U.S. Department of Transportation.

Top Twenty-Five Market is one of the top twenty-five geographical market areas and the airport(s) within each such market area, as measured by the total of origin and destination traffic, to and from the Airport, based on the most recent "Origin and Destination Survey of Airline Passenger Traffic" compiled by the U.S. Department of Transportation.

4. CASSP ADMINISTRATION AND FUNDING

The Airport Director is authorized to administer the CASSP within the funding limitations established by the Airport's budget, using non-airline revenues, as approved by the Dane County Board of Supervisors.

5. SUPPORT FOR NEW NON-STOP SERVICE

An Applicant Airline may enter into a Marketing Agreement involving New Non-Stop Service to a destination for which it has not received incentives under CASSP during the twenty-four months preceding execution of the Marketing Agreement. A Marketing Agreement involving New Non-Stop Service may provide the following incentives.

- Up to \$150,000 in promotional and marketing assistance and a twenty-four month abatement of landing fees for New Non-Stop Service provided a minimum of four times per week to a Top Ten Market.
- Up to \$125,000 in promotional and marketing assistance and an eighteen month abatement of landing fees for New Non-Stop Service provided a minimum of four times per week to a Top Fifteen Market.
- Up to \$100,000 in promotional and marketing assistance and a twelve month abatement of landing fees for New Non-Stop Service provided a minimum of four times per week to a Top Twenty-Five Market, a Connecting Hub Airport or a Focus City Airport.

6. SUPPORT FOR EXISTING DESTINATION NEW NON-STOP SERVICE

An Applicant Airline may enter into a Marketing Agreement involving Existing Destination New Non-Stop Service to a destination for which it has not received incentives under CASSP during the twenty-four months preceding execution of the Marketing Agreement. A Marketing Agreement involving Existing Destination New Non-Stop Service may provide the following incentives.

- Up to \$65,000 in promotional and marketing assistance and a nine month abatement of landing fees for Existing Destination New Non-Stop Service provided a minimum of four times per week to a Top Ten Market.

- Up to \$45,000 in promotional and marketing assistance and a six month abatement of landing fees for Existing Destination New Non-Stop Service provided a minimum of four times per week to a Top Fifteen Market.
- Up to \$25,000 in promotional and marketing assistance and a three month abatement of landing fees for Existing Destination New Non-Stop Service provided a minimum of four times per week to a Top Twenty-Five Market, a Connecting Hub Airport or a Focus City Airport.

Any Airline offering the existing service underlying a Marketing Agreement provided under this section is eligible for the same duration of landing fee abatement as provided under the Marketing Agreement for Existing Destination New Non-Stop Service, provided the existing service is offered at least as frequently as is the new service offered under the Marketing Agreement.

7. SUPPORT FOR REINSTATED NON-STOP SERVICE

An Applicant Airline may enter into a Marketing Agreement involving Reinstated Non-Stop Service to a destination for which it has not received incentives under CASSP during the twenty-four months preceding execution of the Marketing Agreement. A Marketing Agreement involving Reinstated Non-Stop Service may provide the following incentives.

- Up to \$30,000 in promotional and marketing assistance and a twelve month abatement of landing fees for Reinstated Non-Stop Service provided a minimum of four times per week to a Top Fifteen Market.
- Up to \$20,000 in promotional and marketing assistance and a nine month abatement of landing fees for Reinstated Non-Stop Service provided a minimum of four times per week to a Top Fifteen Market.
- Up to \$10,000 in promotional and marketing assistance and a six month abatement of landing fees for Reinstated Non-Stop Service provided a minimum of four times per week to a Top Twenty-Five Market, a Connecting Hub Airport or a Focus City Airport.

8. SUPPORT FOR NEW SEASONAL NON-STOP SERVICE

An Applicant Airline may enter into a Marketing Agreement involving New Seasonal Non-Stop Service to a destination for which it has not received incentives under CASSP during the twenty-four months preceding execution of the Marketing Agreement. A Marketing Agreement involving New Seasonal Non-Stop Service may provide the following incentives.

- Up to \$50,000 in promotional and marketing assistance and a twelve month abatement of landing fees for New Seasonal Non-Stop Service provided a minimum of two times per week to a Top Ten Market.

- Up to \$35,000 in promotional and marketing assistance and a nine month abatement of landing fees for New Seasonal Non-Stop Service provided a minimum of two times per week to a Top Fifteen Market.
- Up to \$25,000 in promotional and marketing assistance and a six month abatement of landing fees for New Seasonal Non-Stop Service provided a minimum of two times per week to a Top Twenty-Five Market, a Connecting Hub Airport or a Focus City Airport.
- Up to double the above designated incentives for New Seasonal Non-Stop Service provided to the foregoing markets a minimum of four times per week.
- Up to \$100,000 in promotional and marketing assistance and a twenty-four month abatement of landing fees for New Seasonal Non-Stop Service provided a minimum of four times per week to a Focus Service Region.

9. MINIMUM REQUIREMENTS AND NON-COMPLIANCE

In order for an Airline to be eligible for promotional and marketing assistance under CASSP, the Airline shall announce in the Dane County area media the initiation of the New Non-Stop Service, Existing Destination New Non-Stop Service, New Seasonal Non-Stop Service, or Reinstated Non-Stop Service, to begin on or about a specific date; begin taking and accepting reservations for the new service; and execute a Marketing Agreement with the Airport, agreeing to comply with the terms, conditions and requirements of CASSP. In the event the Airline fails to comply with the terms of the Marketing Agreement any funding that may have been provided by the Airport to promote and market the eligible New Non-Stop Service, Existing Destination New Non-Stop Service, New Seasonal Non-Stop Service, or Reinstated Non-Stop Service shall be refunded by the Airline to the Airport, and abatement of landing fees shall cease.

10. PROMOTIONAL AND MARKETING REQUIREMENTS

All promotional and marketing materials, publications, broadcasts, and displays placed under CASSP must be specifically related to the eligible New Non-Stop Service, Existing Destination New Non-Stop Service, New Seasonal Non-Stop Service, or Reinstated Non-Stop Service and shall prominently identify the "Dane County Regional Airport" as the point of departure for the service. No less than seventy-five percent, as calculated by placement cost, of the advertising and promotional material placed under CASSP shall be with media targeting audiences located within one hundred miles of the Airport.