

**CITY OF EL PASO, TEXAS  
AGENDA ITEM  
DEPARTMENT HEAD'S SUMMARY FORM**

**AGENDA DATE:** February 1, 2022

**PUBLIC HEARING DATE:**

**CONTACT PERSON(S) NAME AND PHONE NUMBER:** Sam Rodriguez, Aviation Director, (915) 212-1845

**DISTRICT(S) AFFECTED:** ALL

**STRATEGIC GOAL:** Create an Environment Conducive to Strong, Sustainable, Economic Development

**SUBGOAL:** Grow the core business of air transportation.

**SUBJECT:**

Resolution for the El Paso City Council to adopt the City of El Paso, Department of Aviation, Air Service Development Incentive Program.

**BACKGROUND / DISCUSSION:**

The airport has developed an incentive policy that temporarily reduces an airline's operating costs to encourage new airline entrants and domestic and international non-stop air service to the City. New flights benefit the City and the residents of El Paso by stimulating economic growth and providing increased connectivity.

**PRIOR COUNCIL ACTION:**

El Paso City Council approved the current Air Service Development Incentive Program that went into effect on September 1, 2019.

**AMOUNT AND SOURCE OF FUNDING:**

Source: Airport Enterprise Funds

**HAVE ALL AFFECTED DEPARTMENTS BEEN NOTIFIED?**  YES  NO


**PRIMARY DEPARTMENT:** Aviation

**SECONDARY DEPARTMENT:** None

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\*\*\*\*\*REQUIRED AUTHORIZATION\*\*\*\*\*

**DEPARTMENT HEAD:**



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(If Department Head Summary Form is initiated by Purchasing, client department should sign also)

## RESOLUTION

**WHEREAS**, on November 20, 2007, the City Council determined that offering an incentive to airlines for new non-stop service from El Paso International Airport (Airport) would stimulate business and would therefore be of benefit to the City and its residents, and that a public purpose will be served by increasing service to and from the Airport and resolved to offer a waiver of landing fees for a ninety day period from the one year anniversary of the commencement of new non-stop flights; and

**WHEREAS**, on October 19, 2010, City Council approved the Air Service Development Incentive Program through its El Paso International Airport effective November 1, 2010, which revised the incentive adopted on November 20, 2007; and

**WHEREAS**, City Council has subsequently approved its Air Service Development Incentive Program approximately every three years with the last approval having an effective date of September 1, 2019; and

**WHEREAS**, the City staff recommends that the Air Service Development Incentive Program be revised to encourage new non-stop commercial passenger service, new airlines and new unserved markets, whether those markets be domestic or international.

**NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF EL PASO:**

THAT the El Paso International Airport Air Service Development Incentive Program for passenger airlines, attached hereto as Exhibit "A", be approved and made effective on February 1, 2022; and

THAT the El Paso International Airport Air Service Development Incentive Program effective September 1, 2019 will no longer be in effect on February 1, 2022.

**ADOPTED** this \_\_\_\_ day of \_\_\_\_\_, 2022.

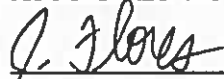
**THE CITY OF EL PASO**

\_\_\_\_\_  
Oscar Leaser  
Mayor

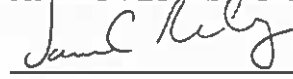
**ATTEST:**

\_\_\_\_\_  
Laura D. Prine  
City Clerk

**APPROVED AS TO FORM:**

  
\_\_\_\_\_  
Josette Flores  
Senior Assistant City Attorney

**APPROVED AS TO CONTENT:**

  
\_\_\_\_\_  
Samuel Rodriguez, P.E.  
Director of Aviation

## Exhibit “A”

# El Paso International Air Service Incentive Plan



The purpose of the Air Service Development Incentive Program is to encourage new non-stop air service and competition at El Paso International Airport (ELP) by providing temporary financial relief to an airline beginning new non-stop commercial passenger service to a destination. The incentive program is also an effort to stimulate the growth of airline service to and from ELP by promoting the establishment of new non-stop routes. This incentive program will be in effect for three years, starting February 1, 2022.

- All commercial airlines will be made aware of the program and encouraged to offer new air service.
- Incentives shall be administered so as not to increase the charges of any non-participating air carrier.
- Incentives shall be offered on a reasonable, nondiscriminatory basis to all airlines. A waiver of any fee shall apply only to the flights providing the qualifying service.

	Market Requirements	Minimum service Requirements	Cost Abatement <sup>1</sup>	Marketing Incentives <sup>2</sup>	Additional Outreach Efforts
New Airline + new unserved market	A new airline that has not operated at ELP within the past three years AND begins service to a new market that is currently not served from ELP and has not been served in the last 12 months	Two flights per week for more than 90 days	100% reduction of landing fees for the first 24 months of new service  Additional Fee Waiver – 100 sq. ft. for new entrants for the first 24 months of new service	\$5.00 per departure seat for the 1 <sup>st</sup> year and \$2.50 per departure seat for the 2 <sup>nd</sup> year	Broadcast announcement utilizing the airport’s media outlets and assist with inaugural flight festivities
New unserved market - domestic	Markets that are currently not served from ELP and have not been served in the last 12 months	Two flights per week for more than 90 days	100% reduction of landing fees for the first 24 months of new service	\$5.00 per departure seat for the 1 <sup>st</sup> year and \$2.50 per departure seat for the 2 <sup>nd</sup> year	Broadcast announcement utilizing the airport’s media outlets and assist with inaugural flight festivities
New unserved market - international	International markets that are currently not served from ELP and have not been served in the last 12 months	Two flights per week for more than 90 days	100% reduction of landing fees for the first 24 months of new service	\$10.00 per departure seat for the 1 <sup>st</sup> year and \$5.00 per departure seat for the 2 <sup>nd</sup> year	Broadcast announcement utilizing the airport’s media outlets and assist with inaugural flight festivities

<sup>1</sup> The carrier is not required to be a signatory and will pay non-signatory rates; however, if the carrier is a signatory, signatory rates will apply.

<sup>2</sup> All media plans and other marketing plans must have prior written approval by the Director of Aviation to qualify for the identified participation. Payment for marketing activities will be sent directly to the media source, not the airline. Payment will be made to the media source following completion of the approved media plan or marketing plan services or goods and receipt of an invoice by the Director of Aviation. Media incentives shall be instituted in such a manner that in addition to promoting new services, airlines shall also promote EPIA. At a minimum, the airport logo will be included in any advertisements.