

Cecil Field ●●● Development Strategy



Jacksonville Aviation Authority



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CECIL FIELD DEVELOPMENT STRATEGY

	Page
<u>Overview and Executive Summary</u>	1
<u>Cecil Field Strategic Plan (2010 – 2020)</u>	
- Tier 1: Sustain and Grow Existing Businesses	5
- Tier 2: Attract New Businesses and Adjacencies	9
- Tier 3: Create a Logistics Hub	14
<u>Communications and Community Outreach Plan</u>	18
<u>Roles and Responsibilities</u>	23
<u>Appendices</u>	
Appendix A: Background Information	
• History of Cecil Field	A-1
• Role of Cecil Field	A-2
• Previous Studies and Reports	A-3
• Airport Technical Information	A-7
• Utility Systems and Infrastructure	A-8
• Hangars and Buildings	A-10
• Current Tenants	A-12
• Political Jurisdictions	A-15
• Environmental Considerations	A-16
• Transportation Linkages	A-18
Appendix B: Regulatory Considerations	
• Federal Grant Assurances	B-1
• Deed - Covenants and Restrictions	B-4
• State of Florida – Grant Assurances	B-6
• Local Governance	B-9
Appendix C: Airport Development Funding	
• Federal Grant Programs	C-1
• State of Florida Grant Programs	C-2
• JAA Capital Investment in Cecil Field	C-3
Appendix D: Aviation and Aerospace Market Summary	
• Maintenance Repair and Overhaul	D-1
• Air Cargo	D-2
• Business / Corporate Aviation	D-3
• Aircraft Manufacturing and Assembly	D-4
Appendix E: Cecil Field – Strengths and Weaknesses Analysis	E-1

Overview and Executive Summary

Over the past ten years the Jacksonville Aviation Authority (JAA) has been actively involved in the reuse and redevelopment of Cecil Field. While there have been many successes, the dynamics and market forces within the commercial aviation industry and defense sectors have changed substantially over the past few years. One of the stated goals for 2010 was preparation of a Cecil Field Development Strategy. The overall purpose of this report is to cast a strategic vision for Cecil Field to include an implementation/action plan that will focus our initiatives and align our ongoing marketing efforts with the changing aerospace marketplace. This strategic plan will serve as a 10-year roadmap to assist in maximizing our overall business development opportunities and direct our marketing and development initiatives for Cecil Field's continued growth and development.

The first step in developing the strategy was to assemble a diverse group of individuals with many different Federal, state and local public and private development perspectives. An initial strategy session was held on February 26, 2010, where over 40 representatives from various Federal, state, local agencies and sector entities came together to discuss a strategic way forward for Cecil. The goals of the strategy session were to develop a coordinated and collective federal, state and local vision and strategy for marketing Cecil Field to commercial and governmental aerospace businesses and industry sectors, and to explore new creative partnerships that will spur economic growth and development at the airport.

At the strategy session industry updates were presented by various governmental and civil aviation industry attendees. Trends within the industry were also explored and discussed as well as group input and discussions regarding Cecil Field's overall strengths and weaknesses. Various options and opportunities for marketing and developing the airport were also discussed and evaluated and, most importantly, the basics of a collective vision and strategy for future growth and development of Cecil Field were cast by the group.

The collective vision and the outline for moving forward that were developed at the strategy session included a three tiered approach:

- Tier One: Sustain and grow existing businesses at the airport
- Tier Two: Attract new tenants including business adjacencies
- Tier Three: Develop a longer range strategy to develop Cecil Field as a global logistics hub.

It was decided at the session that this approach would primarily be accomplished through: (1) obtaining adequate financial support for infrastructure and business development, (2) obtaining necessary political support for our efforts to grow and build the business base at the airport, and (3) developing close working relationships and alliances within the aerospace industry. It was agreed that communications and community outreach would be a

key element of the overall strategy. This would ensure that a consistent message is communicated at the national, state and local levels and to continue to grow and foster local support for the future growth and development of the airport.

Three working groups were then formed in order to further refine and develop the major themes (Financial Development, Political Support, and Industry Alliances) for each of the three tiers of the strategy. Each of the working groups developed an action plan and defined roles and responsibilities for the key initiatives. A second strategic planning session with Federal, state and local public and private development representatives was held on July 8, 2010. At this session the overall draft strategic plan was presented to the participants, their comments and inputs were received, and final edits were made to the strategic development plan.

Key elements of the Financial Development component of the strategy include: (1) identifying, coordinating and developing comprehensive incentive packages and funding mechanisms that are nationally competitive, (2) pursuing all applicable and available Federal grants from all branches, and (3) pursuing state funding for infrastructure improvements and other enhancements from all agencies and departments.

Political Support components of the strategy are centered on: (1) identifying and targeting key decision makers and influencers at the Federal level, (2) ensuring that our Senators and Representatives in Washington speak strongly and supportively as one voice, (3) presenting development incentive proposals as a coordinated state effort rather than as a Northeast Florida initiative, and (4) ensuring solidarity at the local level prior to moving forward with proposals, offers, and/or initiatives.

The Industry Alliances elements of the strategy center on making inroads with aerospace industry businesses to include: (1) partnering and aligning with major defense contractors, (2) strengthening alliances between JAA and existing tenants especially those with expansion plans/opportunities, (3) strengthening a cooperative business environment at Cecil Field with existing tenants in order to further foster a cooperative and successful business environment, and (4) leveraging existing tenant successes to the marketplace.

In addition to the above financial development, political support and cooperative alliance initiatives, the JAA will implement a comprehensive communications and community outreach program to ensure that community alliances are maintained and strengthened and that the strategy is clearly understood and communicated. Implementation of the communications and outreach plan will ensure that the community and its leaders are kept well informed and involved in the future growth and development of the airport. Key elements of the plan include the creation of a comprehensive contact list of key stakeholders, development of an inventory of communication tools to include news

releases, e-newsletters, e-mail blasts, and social media (Facebook, Twitter, YouTube), and creation of a communications calendar with key initiatives and activities/outreach initiatives clearly scheduled.

As previously stated, the aviation and aerospace business environment has changed significantly over the past few years. Global market pressures have caused major commercial and governmental aircraft, aircraft component and aircraft engine manufacturers to realign fundamental business strategies and long term goals. The recently obtained horizontal commercial spaceport license opens yet another market sector for Cecil Field. Opportunities for commercial space operations will be pursued as that market continues to evolve and mature. The market assessment and analysis section in the full report is provided as background information and will assist our efforts in targeting industry sectors that are considered to be of greatest potential for Cecil Field marketing efforts.

Overall strategic plan coordination and implementation will be the responsibility of the Senior Director, Cecil Field. Implementation of the strategic plan will be accomplished by assigning responsibility for directing and accomplishing the actions and initiatives to key JAA staff personnel and by forming four separate working groups. A working group will be tasked to formulate specific actions for implementation of the Political Support initiatives, the Financial Development initiatives, the Industry Alliance initiatives and the initiatives contained within the Communications and Community Outreach Plan. The Political Support Initiatives will be implemented and action items directed by JAA's Director of External Affairs with staff assistance from the Administrator of Community Relations. Financial Development Initiatives for each of the three tiers will be implemented and action items directed by JAA's Director of Aviation Marketing with support and assistance from the Director of Business Development and the Senior Manager of Planning. Industry Alliance Initiatives will be directed by the Senior Director, Cecil Field with support and assistance from JAA's Director of Aviation Marketing. Communications and Community Outreach activities as outlined in this strategy will be implemented by JAA's Director of External Affairs with support from the Administrator of Community Relations.

These working groups will discuss, prioritize, schedule and oversee the specific initiatives and activities outlined in the plan. In addition to JAA staff, the groups will include representatives from JAA's Federal, state and local government relations firms, media and communications consultants, industry consultants as well as representatives from Enterprise Florida, Space Florida, the Jacksonville Regional Chamber of Commerce, the Jacksonville Economic Development Commission and the City's Cecil Commerce Center Master Developer. As may be needed, representatives to include individuals from national aviation and aerospace companies will be invited to participate in the formulation of specific plans and actions. Working groups will also discuss and recommend comprehensive marketing

and promotion outreach programs that will lead to increased overall market awareness of Cecil Field and its opportunities for business growth and development.

In summary, the growth and development of Cecil Field over the first ten years of ownership by JAA has been marked by many successes. Among those include the leasing out of all usable hangar and office buildings, a comprehensive renovation of facilities and infrastructure, a positive flow of revenue to the Authority, award of a Commercial Horizontal Spaceport license, construction of four new hangar complexes, designation as Florida's General Aviation Airport of the Year, implementation of a full array of civilian instrument approaches, service at the airport by a full service fixed base operator and FAA contract air traffic control tower, and a very supportive community environment surrounding the airport. The JAA looks forward to the next ten years and believes that the airport is well poised to become the premier general aviation, industrial, manufacturing and maintenance, repair and overhaul airport in the southeast. This Strategic Development Plan sets the course for continued growth and development as the airport moves toward full realization of its most valuable assets, ample land, a clear vision for the future, and a definitive strategic roadmap to guide our actions.

Cecil Field Strategic Plan (2010 – 2020)

Tier One Strategy: Sustain and grow existing core businesses at the airport and their suppliers/business partners

Existing businesses at Cecil Field are considered to be prime candidates for local job creation and economic development. An immediate regional economic impact can be realized if tenants that already have a presence at Cecil Field add jobs and increase their facility needs. While local and state incentives are primarily targeted toward attracting new businesses, incentive packages directed toward specific levels of investment and job creation by existing businesses must be strengthened and expanded to take full advantage of growth and expansion opportunities. Incentive packages would also be directed at those companies that supply Cecil Field's existing tenants. Fostering growth among these "adjacencies" will add to the diversity of the business base at the airport and, correspondingly, assist in efforts to attract new businesses and aerospace industry sectors to Cecil Field.

Federal, state and local financial assistance to existing businesses, including infrastructure development programs funded through the Authority's capital improvement program, are necessary to help offset the high costs of facility development. While many companies that currently operate at Cecil Field are long term tenants, other airports, municipalities and states across the country continually try to lure them away with entitlements to relocate. The JAA must ensure that Cecil Field remains a customer friendly and financially attractive place to do business through the provision of appropriate financial assistance, through garnering support from Federal, state and local political leadership, and through fostering close business relationships with existing tenants and their corporate leadership.

Financial Development Initiatives to Sustain and Grow Existing Core Businesses and their Suppliers/Business Partners:

1. Create a comprehensive, unique menu of attractive financial incentives at Cecil Field to help existing businesses with development needs
 - a. Work with state agencies to review available information regarding incentives offered by other states and municipalities in order to become more competitive in retaining and growing existing businesses
 - b. Investigate new incentive possibilities at the local, state and Federal level
 - c. Develop a competitive package to attract existing tenant suppliers and other affiliated businesses to the airport or to adjacent properties
2. Inventory, categorize and develop a menu of traditional and non-traditional financing and funding resources and options that may be available for existing businesses to expand including the timing involved in making those sources available

- a. Work with current tenants to develop a list of potential suppliers and synergistic businesses and then look for financing options and opportunities to help attract them
 - b. Develop a comprehensive resource guide of all available public and private financing options for existing businesses to use for expansion efforts to include costing various scenarios for small, medium and large facility upgrades and expansions
 - c. Work with the City/JEDC and their master developer to explore options for a coordinated marketing and financing plan for existing businesses growth and expansion opportunities
 - d. Explore opportunities for cooperation with the City's master developer regarding their access to credit markets
 - e. Identify and meet with private equity groups in order to solicit their interest and participation in Cecil Field development
 - f. Actively pursue unique designations for funding capacity/special funding availability to assist existing businesses seeking to retain or expand jobs at Cecil Field, e.g. "Federal Empowerment Zone"
 - g. Identify and budget funds within JAA's short and long term capital improvement program those expansion projects that are deemed to be financially appropriate and feasible for application of JAA resources
3. Seek Federal and state infrastructure funding from all appropriate departments and agencies in order to improve and grow Cecil Field infrastructure for existing sites and new development areas to include identification of Department of Defense funding opportunities to support the defense related programs of existing businesses
 4. Seek federal workforce training funding in jobs stimulus legislation and other initiatives for upgrading the skills of existing and expending workforce
 - a. Identify and promote Workforce Florida training programs and incentives
 - b. Review and analyze the Targeted Occupations Priority list and Space Florida Education, Research and Workforce recommendations for training funds and other initiatives to assist existing businesses in creating quality jobs and retraining workers
 5. Meet with Space Florida officials on a regular basis to investigate and explore opportunities for funding existing tenant expansion and growth plans via creative financing mechanisms and grant opportunities

Political Support Initiatives to Sustain and Grow Existing Core Businesses and their Suppliers/Business Partners:

1. Schedule and hold strategy sessions with existing tenants corporate representatives:
 - a. Identify and understand their short, mid and long term growth plans and opportunities
 - b. Identify and discuss what involvement from local, state and Federal governmental officials may be desired in order to assist in bringing those plans and opportunities to fruition

- c. Explore and identify what role private developers, commercial real estate brokers and financial institutions may play to help facilitate attainment of those goals and plans
 - d. Identify what contacts existing tenants have at the Federal, state and local level and how those relationships can assist in meeting our collective efforts
 - e. Hold specific and individual project overview meetings with key stakeholders to outline a tailored political support action plan
2. Engage Federal, state and local elected officials to increase their understanding and awareness of the importance of helping existing businesses grow and prosper:
 - a. Develop a list of specific Federal, state and local legislative actions that may be needed to help facilitate existing businesses growth and expansion
 - b. Arrange site visits for Federal, state and local elected officials and key staff personnel in order to increase awareness and knowledge of the airport's existing tenant base, their overall development plans, and what help at the Federal, state and local level is needed
 - c. Communicate the overall strategy for growing existing businesses, outline key projects, initiatives and message points, let elected officials know what their role in the strategy may be, and receive their feedback
 - d. Prepare and distribute a one page detailed and fact based synopsis of existing businesses and their expansion plans/opportunities for distribution to members and their staffs
 - e. Ensure a consistent "regional commitment to Cecil Field" message is communicated at the local, state and Federal levels
 - f. Ensure that Jacksonville's local political leaders meet with and communicate to state and Federal officials what initiatives need to be carried forward to increase existing tenant growth and expansion plans
 3. Meet with JEDC and Chamber staff regularly to ensure solidarity at the local level prior to moving forward with proposals, offers, and/or initiatives for existing businesses
 4. Meet with Federal, state and local candidates for office, brief them on Cecil Field development strategy and specific matters of interest

Industry Alliance Initiatives to Sustain and Grow Existing Core Businesses and their Suppliers/Business Partners:

1. Conduct an informal assessment with existing tenants
 - a. Identify barriers
 - b. Identify JAA requirements to overcome barriers
2. Schedule JAA / COJ / Chamber meetings with existing tenants
 - a. Identify their long term plans and vision for Cecil Field
 - b. Support the vision and ensure delivery on commitments
3. Look for and market to existing tenant subcontractors and their adjacencies and similarities

4. Facilitate discussions between existing tenants and major defense/commercial aerospace contractors to explore partnership opportunities for locating MRO and/or assembly and manufacturing programs to Cecil Field
5. Prepare marketing materials highlighting Cecil Field for presentation to executives of current tenants and their parent companies
6. Promote the airport and existing tenant's successes via national advertising opportunities and at trade shows, conferences and exhibitions
7. Hold a Tenant Executive Information Meeting between the JAA CEO and tenant executives twice a year to discuss JAA plans and to receive feedback on airport marketing and development issues, projects and initiatives
8. Identify and promote Workforce Florida training programs and incentives. Review and analyze the Targeted Occupations Priority list and Space Florida Education, Research and Workforce recommendations for training funds and other initiatives
9. Create a Northeast Florida College/University Consortium to identify and rapidly implement work force training programs at secondary, college and graduate levels that can be tailored to specific business and industry needs for current tenants
10. Partner with the Florida Aviation and Aerospace Alliance, the Florida Defense Alliance, and Enterprise Florida in promoting business opportunities for existing companies at Cecil Field
11. Incorporate key decision makers from major local businesses and community leaders in discussions regarding existing tenants development plans in order to fully explore what mutually beneficial partnership opportunities may exist
12. Increase opportunities for aerospace internships with existing tenants

Tier Two Strategy: Attract new governmental and non-governmental aeronautical tenants and business adjacencies to the airport

Over the past ten years the primary focus for JAA at Cecil Field has been to bring the airport's infrastructure up to modern standards and to renovate and lease out buildings and hangars that were turned over from the Navy to businesses that would create jobs with high wage rates and help mitigate the economic impact caused by the termination of military activities at the facility.

Now that JAA has been successful in leasing out all buildings and hangars on its property, the development focus has changed from reuse of existing facilities to creating opportunities for new growth and development. Attracting new governmental and non-governmental businesses to the airport is critical to the economic wellbeing of the Authority and to the overall economic health of the areas surrounding the airport and the Northeast Florida region as a whole.

Attracting new businesses will bring additional activity to the airport while generating increased revenue streams. Additional revenue will improve JAA's overall financial health and its ability to reinvest in infrastructure improvements and new facility construction. Many changing trends over the past several years in the commercial aviation marketplace have made it essential that JAA continues to diversify its tenant base among governmental and non-governmental companies and businesses. Weathering economic downturns through a broad tenant base will help ensure long term stability and continued growth opportunities. Looking into the future, opportunities to work with commercial space horizontal launch operators will be pursued as that industry sector continues to mature.

Just as the aviation industry has changed, so have traditional sources of airport development funding. Both the Federal and state government's airport assistance programs have undergone some significant changes in recent years. Seeking out and acquiring new sources of Federal, state and private sector funding will be critical in providing the needed resources for economic development projects. Political support from Federal, state and local elected officials will also be vitally important in both identifying funding opportunities and in helping to market Cecil Field to the national and international marketplace. Developing relationships and building alliances with companies that have expansion and/or relocation plans will give JAA the opportunity to partner with those companies in order to best meet their vision for growth and expansion.

Financial Development Initiatives to Attract New Governmental and Non-governmental Aeronautical Tenants and Business Adjacencies to the Airport:

1. Identify, coordinate and develop comprehensive incentive packages that are state and nationally competitive to attract new companies to locate at Cecil Field and create new jobs
 - a. Work with state agencies to review available information regarding incentives offered by other states and municipalities in order to become more competitive in attracting new businesses
 - b. Incorporate decision makers from local aeronautical and non-aeronautical businesses in developing proposals and incentive packages that are competitive and financially viable
 - c. Develop “pre-packaged” incentive proposals that can be immediately put on the table when meeting with prospective businesses
2. Inventory, categorize and develop a menu of both traditional and non-traditional public and private funding and financing sources and options that may be available for new businesses and the timing involved in making those resources available
 - a. Update and amplify MRO, air cargo, general aviation, business aviation and aircraft manufacturing assembly business sectors market assessments to identify value added opportunities for business recruitment
 - b. Identify and categorize potential suppliers/synergistic businesses in the aerospace industry then look for financing options and opportunities for those companies
 - c. Identify and meet with private equity groups in order to solicit their interest and participation in Cecil Field development
 - d. Develop a competitive package to attract these businesses to the airport and adjacent properties
 - e. Develop costing scenarios for generic small, medium and large facility complexes to include site prep, design, construction, utilities, access (landside and airside)
 - f. Work with the City/JEDC and their master developer to explore options for an overall marketing and financing plan for prospective new businesses
 - g. Identify and pursue DOD funding opportunities to support defense programs of prospective businesses
 - h. Identify and budget funds within JAA’s short and long term capital improvement program for those projects that are deemed to be financially appropriate and feasible for application of JAA resources
3. Seek state and Federal grant funding for site infrastructure development and maintenance in order to continue to be competitive in attracting new business i.e. FAA’s Military Airport Program (MAP) funding, EDA’s Comprehensive Economic Development Strategy funding (CEDS), FDOT’s Strategic Intermodal System transportation funding program and state programs to retain and expand Florida’s Space industry
 - a. Identify and pursue funding for and create opportunities for small business incubators

- b. Develop a list of potential federally designated “green” industries and what funding may be available for placement of those businesses on airport or adjacent property with an emphasis on new “green” aerospace technological advances
4. Work with the City/JEDC and their master developer to explore options for a coordinated marketing and financing plan for attracting new businesses
5. Explore opportunities for cooperation with the City’s master developer regarding their access to credit markets
6. Seek Federal assistance in relocation of highly skilled aerospace personnel no longer needed in the Space Shuttle program for job placement at Cecil with new businesses
 - a. Identify and promote Workforce Florida training programs and incentives.
 - b. Review and analyze the Targeted Occupations Priority list and Space Florida Education, Research and Workforce recommendations for training funds and other initiatives
7. Meet with Space Florida officials on a regular basis to investigate and explore opportunities for funding expansion projects and what new and creative financing mechanisms and grant opportunities may be available through that agency

Political Support Initiatives to Attract New Governmental and Non-governmental Aeronautical Tenants and Business Adjacencies to the Airport:

1. Engage Federal, state and local elected and agency officials to increase their understanding and awareness of the importance of attracting new governmental and non-governmental businesses to Cecil Field:
 - a. Arrange site visits for Federal, state and local elected and agency officials and key staff personnel in order to increase awareness of the airport and its overall development plans, communicate the strategy and identify what assistance is needed at the state and Federal levels
 - b. Prepare and distribute a one page detailed and fact based synopsis of issues for distribution to elected officials and their staffs
 - c. Develop a list of Federal, state and local legislative actions that may be needed to help attract new businesses to the airport
 - d. Work to ensure that our Federal officials in Washington speak strongly and supportively as one voice for new business recruitment initiatives
 - e. Ensure a consistent “regional commitment to Cecil Field” message is communicated at the local, state and Federal levels
 - f. Present development incentive proposals for new businesses as a coordinated state effort rather than as a just a Northeast Florida initiative
 - g. Communicate the development strategy, outline key projects, initiatives and message points, let elected officials know what their role in the strategy can be, and receive their feedback
 - h. Ensure that local political leaders meet with and communicate a consistent political message to state and Federal officials what initiatives need to be carried forward to attract new companies to the airport

- i. Meet with JEDC and Chamber staff regularly to ensure solidarity at the local level prior to moving forward with proposals, offers, and/or initiatives
2. Define, catalogue and promote the magnitude of what JAA and the City brings to the table
 - a. National political support
 - b. Local and state support
 - i. Pro defense
 - ii. Pro aerospace
 - iii. Political support
3. Identify key targeted companies and the public and private sector programs that they may be considering for new aeronautical site development:
 - a. Obtain information on companies looking to relocate or expand and evaluate and categorize their short, mid, and long term growth objectives
 - b. Identify and discuss what specific political support from local, state and Federal governmental officials is desired by prospective companies in order to bring their expansion or relocation plans and opportunities to fruition
 - c. Hold follow up meetings with prospective companies to foster a trust relationship and to begin discussions regarding the development of a cooperative political support strategy
 - d. Hold specific and individual project overview meetings with prospective tenants and key local, state and Federal political leaders and stakeholders to outline a focused political support action plan
4. Work with Federal and state officials to change the general perception that the State of Florida and Florida communities are not enthusiastically supportive of assisting aerospace companies in relocating and/or expanding their businesses in the state
5. Meet with Federal, state and local candidates for office, brief them on Cecil Field development strategy and specific matters of interest

Industry Alliance Initiatives to Attract New Governmental and Non-governmental Aeronautical Tenants and Business Adjacencies to the Airport:

1. Foster relationships with industry officials
 - a. Identify and target prospective companies and learn about their expectations
 - b. Work with the City's master developer to build upon relationships that they have within the aerospace industry
 - c. Develop and keep an updated list of governmental and non-governmental aerospace programs and procurements to include new product lines and modification/conversion programs
 - d. Schedule meetings with key decision makers at their corporate offices
 - e. Involve key local stakeholders
 - f. Build knowledge and trust between the JAA and corporate executives
 - g. Form long term partnerships for competitive bids

2. Define what JAA brings to the table (why Jacksonville and why Cecil Field)
 - a. Local community and political support
 - b. Strength of existing local partnerships between JAA, the City, FSCJ and others
 - c. Work force availability – human assets
 - d. Logistics network opportunities
 - e. Warehouse and distribution site availability near airport
 - f. Spaceport license
 - g. Available “shovel ready” aeronautical sites on JAA property
 - h. Airport amenities and services (runway system, ARFF, ATCT, all weather operations, encroachment free airport environment, environmental considerations)
 - i. Industry partnership opportunities in the region
 - j. Transportation network (highways, transit, railways, seaports)
 - k. Site development timeline
 - l. Property permitting entitlements
 - m. Catalogue all assets and put in a package to include cost and time estimates to move in
3. Highlight and communicate to prospective tenants the successes, programs and capabilities of existing tenants
4. Enhance local, national and international marketing initiatives at selected trade shows, conferences and exhibitions in order to promote and publicize Cecil Field
5. Identify and meet with selected developers, site selection consultants and commercial real estate brokers to promote the airport and increase their knowledge base of what Cecil Field can offer their clients
6. Create a Northeast Florida College/University Aerospace Consortium to identify and rapidly implement training programs that can be tailored to meet prospective tenants work needs
7. Partner with the Florida Aviation and Aerospace Alliance, the Florida Defense Alliance, and Enterprise Florida in promoting and marketing Cecil Field to the industry
8. In cooperation with the City and their master developer create a new “brand” and image for Cecil Field as a new and vibrant center of aeronautical commerce – match the image with the target market industries and Cecil Field development goals
9. Establish relationship with and partner with appropriate statewide organizations and associations having an interest in statewide aviation and aerospace growth
10. Partner with the FAA and the Florida Department of Transportation, Aviation Office to explore opportunities for aeronautical technology research programs
11. Promote synergy of partnerships with Florida State College at Jacksonville Aviation Center of Excellence, Embry Riddle, and Jacksonville University

Tier Three Strategy: To develop and work opportunities to support a long term strategy for Cecil Field as a global logistics hub

Northeast Florida's comprehensive transportation infrastructure and strategic location have created conditions for potential economic growth in the areas of logistics, manufacturing, transportation, warehousing and distribution. All four modes of transportation — highway, air, water, and rail— interface here. Even though air cargo has suffered a downturn in recent years global economic conditions are expected to improve.

While predicting growth rates is very difficult, the demand for airfreight capacity has historically grown at about twice the rate of worldwide growth of gross domestic product. In order to be ready to capitalize on Jacksonville's strategic location and its multimodal infrastructure, JAA must investigate, through an air cargo specific study, this element of the overall logistical supply chain and whether reasonable opportunities exist in this sector of the aviation industry. While this tier is considered to be both the most challenging and longest range component of the strategy, initiatives to break into the air cargo marketplace significant air cargo facility infrastructure must be planned and opportunities pursued to attract that market sector. With its 12,500 foot long runway, Cecil Field is an ideal location for the movement of long haul air cargo. Working with the private sector to explore options and opportunities for the movement of air freight is considered to be an essential element of the long term strategy. Traditionally air freighters have carried about 50% of global airfreight tonnage, while the remaining air cargo has been carried in the lower-deck compartments of passenger aircraft. Tighter security requirements will mandate 100% screening of cargo carried on passenger flights by August 2010, which may lead to a greater reliance on freighters and air cargo opportunities at Cecil Field.

Financial Development Initiatives to Develop and Work Opportunities to Support a Long Term Strategy for Cecil Field as s Global Logistics Hub:

1. Identify, coordinate and develop comprehensive incentive packages that are state and nationally competitive to attract new global logistic companies to locate at Cecil Field
2. Work with State agencies to review available information regarding incentives offered by other states and municipalities in order to become more competitive in attracting prospective air cargo and logistics businesses
3. Seek Federal and state infrastructure grant funding to improve Cecil Field's marketability for air cargo and logistics activities
4. Develop a comprehensive resource guide of all available traditional and non-traditional public and private financing options for prospective air cargo and logistics companies to include costing scenarios for small, medium and large air cargo and warehouse facilities to include site prep, design, construction, utilities, access (landside and airside)

5. Identify and budget funds within JAA's short and long term capital improvement program those projects that are deemed to be financially appropriate and feasible for application of JAA resources
6. Identify and meet with private equity groups in order to solicit their interest and participation in Cecil Field development
7. Explore and identify what role private developers, commercial real estate brokers and financial institutions may play to help facilitate attainment of those goals and plans
8. Work with the City/JEDC and their master developer to explore options for a coordinated marketing and financing plan for attracting prospective air cargo and logistics companies

Political Support Initiatives to Develop and Work Opportunities to Support a Long Term Strategy for Cecil Field as a Global Logistics Hub:

1. Schedule and hold strategy sessions with air cargo companies, consultants and freight forwarders:
 - a. Identify and understand what opportunities may exist for air cargo service at Cecil Field and what role political support may play in attracting air cargo activity
 - b. Explore and document what barriers may exist and what local, state and Federal political involvement may be appropriate to assist in developing a logistics business base at the airport
 - c. Hold specific and individual project overview meetings with key stakeholders and air cargo companies to outline a global logistics hub action plan
2. Engage Federal, state and local elected officials to increase their understanding and awareness of the importance of developing a logistics business base at the airport:
 - a. Arrange site visits for Federal, state and local elected officials and key staff personnel in order to increase awareness and knowledge of the airport, overall logistical development plans and what help at the Federal level may be needed.
 - b. Make initial contact with elected officials and key staff personnel regarding the air cargo and logistics business sector by establishing and building relationships and educating them on our logistics strategy for Cecil Field
 - c. Prepare and distribute a one page detailed and fact based synopsis of issues for distribution to members and their staffs
 - d. Energize political participation and involvement by communicating the airport's short, mid and long term air cargo strategy, by defining what political support will be necessary for implementing the strategy, and by receiving their feedback
 - e. Ensure that local political leaders meet with and communicate to state and Federal officials what our overall logistic hub strategy is and what legislative initiatives may be needed to implement the overall strategy
 - f. Ensure a consistent political message is communicated at the local, state and Federal levels

3. Meet with Federal, state and local candidates for office, brief them on Cecil Field development strategy and specific matters of interest
4. Enhance coordination and communication between city and state departments, authorities and agencies through regular meetings, briefings and site visits

Industry Alliance Initiatives to Develop and Work Opportunities to Support a Long Term Strategy for Cecil Field as a Global Logistics Hub:

1. Meet with air cargo consultants, freight forwarders industry brokers in order to:
 - a. Determine the overall feasibility of attracting this market sector to Cecil Field
 - b. Obtain knowledge base of what is expected from the industry
 - c. Define site and environment considerations
 - d. Define financial support required to make a deal
 - e. Define support required to form partnerships
 - f. Catalogue what are other cities and states doing and their lessons learned
2. Develop working relationships with air cargo industry sectors
 - a. Develop list of air cargo companies, consultants and freight forwarders
 - b. Schedule meetings
 - c. Build knowledge and trust
 - d. Form long term partnerships
3. Define what JAA brings to the table (why Jacksonville and why Cecil Field for air cargo)
 - a. Local community and political support
 - b. Work force – human assets
 - c. Logistics network opportunities
 - d. Facilities
 - i. Location
 - a. Sites on JAA property
 - b. Sites on City property
 - ii. Intermodal transportation network and opportunities
 - a. Surface
 - b. Rail
 - c. Airport
 - iii. Airport amenities and services (runways, airport services, technical information)
 - iv. Warehouse and distribution site availability near airport
 - v. Identify what infrastructure is important to the air cargo industry
 - vi. Identify ways to cut delivery cost
2. Develop a Marketing Plan for attracting air cargo businesses
 - a. Develop marketing materials and supporting documentation to highlight seaport, rail and roadway network systems in order to show incoming and outgoing logistical capabilities and capacities
 - b. Develop a market analysis that defines which market segments are compatible with Cecil Field development goals and opportunities

- c. Target desirable business matches
 - d. Develop an image – create the image to match the target market industries to Cecil Field development goals
 - e. Enhance local, national and international marketing efforts at various trade shows, conferences to promote and publicize the airport
- 3. Establish relationship with appropriate statewide marketing and economic development organizations and associations having an interest in global logistics issues
 - 4. Provide support documents to show premier development site and strategic location to JAX PORT deepwater port, rail and roadway network to demonstrate businesses have incoming and outgoing global capability

Cecil Field Communications and Community Outreach Plan

Situational Analysis

The Jacksonville Aviation Authority has invested significantly in converting and upgrading the former Cecil Field Navy base into a thriving hub for the commercial aviation and defense industries. Cecil Field is recognized as one of the most successful military base conversions in the country.

Today, Cecil Field, with its 12,500-foot runway and 1.4 million square feet of office and hangar space, is home to industry leaders such as The Boeing Company, L3 Communications – Titan Division, Flightstar Aircraft Services, LSI, Woods Group – Pratt and Whitney and vital government agencies such as U.S. Customs and Border Protection, U.S. Coast Guard, U.S. Navy Fleet Readiness Center and Florida Army National Guard. In addition, JAA became the first airport in Florida, and the eighth in the nation, to receive a license by the Federal Aviation Administration to operate a commercial, horizontal launch spaceport at Cecil Field.

Cecil Field is truly an economic engine for the city. The JAA and its tenants provide high-skill, high-wage jobs and currently employ approximately 2,500 workers. Yet despite the successes, Cecil Field and its accomplishments are not as well known as they should be both locally and nationally, both in governmental and non-governmental sectors. While Cecil Field has ample room to continue growing for years to come, the JAA will need to facilitate public/private partnerships to finance hangar, warehouse, air cargo and associated office building construction. A well coordinated communications and community outreach program can help achieve JAA objectives for Cecil Field.

Objectives

This communications plan is dedicated to advancing five important goals:

- Providing accurate, timely information to our key stakeholders and the public about Cecil Field, its economic contributions to the region and its potential for increased growth
- Educating and raising awareness about Cecil Field among key target audiences and potential users – including defense contractors, aviation-dependent businesses and government agencies
- Supporting JAA and community efforts to retain existing businesses and attract new businesses to Cecil Field
- Working with City of Jacksonville and the master developer of Cecil Commerce Center to create a regional message for development, to bring a global perspective to the entire facility and to help facilitate business opportunities for Cecil Field

- Creating advocates within both the public and private sectors who can play a significant role in helping Cecil Field achieve its mission

Strategy

The Cecil Field communications team will be headed by JAA's Director of External Affairs and assisted by JAA's Administrator of Community Relations, JAA's media and community outreach consultants and JAA's Senior Director, Cecil Field. Under the leadership of the Director of External Affairs this group will be responsible for creating the messages and materials needed to support the communications and community outreach plan.

Initiatives will include:

- Development and maintenance of a thorough list of key stakeholders
- Development and distribution of timely press releases
- Creation and distribution of a quarterly e-newsletter
- Creation of a social media strategy that employs popular tools such as Twitter, Facebook and YouTube
- Special events and tours at Cecil Field
- Consistent outreach to local, business and trade media
- Speaking engagements
- Create a communications calendar on a shared web-based program (Google calendar) to keep Cecil Field team informed
- Deployment of selective advertising in the local media and targeted industry publications

Communicating with Key Stakeholders

The following is a list of Cecil Field's key target audiences and a brief summary of the how JAA will communicate with each audience.

- **JAA Board** (Quarterly board updates, e-mail updates of development issues, periodic tours, and involvement in ground breakings and other ceremonies at Cecil Field)
- **Elected Officials and Staff** (Periodic updates to include newsletter updates, social media, periodic visits from JAA staff and Board members, and tours of Cecil Field)
 - **Federal**
 - Florida's U.S. Senators
 - Jacksonville area U.S. Representatives
 - Key committee chairmen
 - **State**
 - Duval Delegation
 - Governor's office
 - Senate and House Leadership

- Key committee chairmen
- **Local**
 - Jacksonville Mayor, Department heads and key staff
 - City Council Members
 - Clay and Baker County Commission
 - Jacksonville Sheriff, Tax Collector and Appraiser
 - Political candidates for various offices
- **Government Agencies** (Periodic updates to include newsletter updates, social media, visits from JAA staff, and tours of Cecil Field. Key individuals within each department/division will be identified to determine best contacts.)
 - **Federal**
 - Federal Aviation Administration
 - Department of Defense
 - Department of Homeland Security
 - Office of Economic Adjustment
 - Environmental Protection Agency
 - Army Corps of Engineers
 - U.S. Department of Commerce – Economic Development Administration
 - General Services Administration
 - National Aeronautics and Space Administration
 - **State**
 - Florida Department of Transportation
 - Space Florida
 - Office of Trade, Tourism and Economic Development
 - Department of Environmental Protection
 - Department of Agriculture – Division of Forestry
 - Workforce Florida
 - Department of Community Affairs
 - St. Johns River Water Management District
 - Enterprise Florida
 - **Local**
 - Jacksonville Economic Development Commission
 - Jacksonville Electric Authority
 - Jacksonville Transportation Authority
 - Jacksonville Port Authority
 - North Florida Transportation Planning Organization
 - Northeast Florida Regional Planning Council
 - City of Jacksonville Planning Department
 - Citizen Planning Advisory Committees (CPACs)
 - Work Source
- **Groups and Associations** (Periodic updates to include newsletter updates, social media, contact from JAA staff members, and tours of Cecil Field. Key individuals within each organization will be identified to determine best contacts.)
 - **National**

- Airport Council International
 - American Association of Airport Executives
 - National Space Institute
 - National Business Aviation Association
 - Aerospace Industries Association
 - Aircraft Owners and Pilots Association
 - U.S. Chamber of Commerce
- **State**
 - Florida Airports Council
 - Florida Economic Development Council
 - Associated Industries of Florida
 - Florida Aviation Aerospace Alliance
- **Local**
 - Community and business leaders
 - JAA tenants at all four airports
 - Jacksonville Regional Chamber of Commerce
 - Cecil Field Airport Advisory Committee
 - Jacksonville Aerospace Alliance
 - Northeast Florida Association of Realtors
 - Northeast Florida Builders Association
 - NAIOP
 - First Coast Manufacturers Association
 - Civic Council
 - Impact Jax
 - Leadership Jacksonville
 - Council of Supply Chain Management Professionals
 - Various homeowners associations
 - Civic clubs
 - Business and Civic associations
- **Educational Institutions** (Periodic updates to include newsletter updates, social media, contact from JAA staff, and tours of Cecil Field.)
 - UNF
 - Jacksonville University
 - University of Florida
 - Florida State College at Jacksonville
 - Embry-Riddle
 - Area high schools
- **JAA Employees** (Maintain communications with employees at each JAA's airports through Intranet, email updates and special events.)
- **Media** (Build media list, issue press releases and develop relevant stories about Cecil Field, e-newsletter, conduct periodic media day events, organize editorial board meetings as appropriate.)
 - **National**
 - USA Today

- New York Times
- Wall Street Journal
- CNN
- **Regional**
 - Florida Trend
 - Orlando Sentinel
 - St. Pete Times
 - Miami Herald
 - Atlanta Journal Constitution
- **Local**
 - Times-Union
 - Jacksonville Business Journal
 - Financial News and Daily Record
 - 904
 - Radio stations
 - TV
 - Bloggers
- **Aviation Industry Publications**
 - Aviation Week
 - CenterLine
 - Airports Magazine
 - Aero-News Network
 - Business Aviation
 - Airport Revenue News
 - Aviation Daily
 - Jane's Airports
 - Overhaul and Maintenance

Roles and Responsibilities

Implementation of the strategic plan will be accomplished by assigning responsibility for directing and accomplishing the above actions and initiatives to key JAA staff personnel and by forming four separate working groups for implementation of: (1) the Financial Development Strategy, (2) the Political Support Strategy, (3) the Industry Alliance Strategy and (4) the Communications and Community Outreach Plan. Overall strategic plan coordination and implementation will be the responsibility of the Senior Director, Cecil Field.

Financial development initiatives for each of the three tiers will be implemented and action items directed by JAA's Director of Aviation Marketing with support and assistance from the Director of Business Development and the Senior Manager of Planning. A working group will be formed by the Director of Aviation Marketing to discuss, prioritize, schedule and oversee the specific initiatives and activities outlined in the Financial Development sections of the strategy and will include representatives from Federal, state and local lobbyists, industry consultants under contract with JAA and representatives from Enterprise Florida, Space Florida, the Jacksonville Regional Chamber of Commerce, the Jacksonville Economic Development Commission and the City's Cecil Commerce Center Master Developer. Other individuals from appropriate businesses and agencies will be included in the working group as deemed appropriate.

The political support initiatives will be implemented and action items directed by JAA's Director of External Affairs. A working group will be formed by the Director of External Affairs in order to discuss, prioritize, schedule and oversee the specific initiatives and activities outlined in the strategy. This working group will consist of individuals from the Federal, state and local lobbying firms under contract with JAA, from the JAA's community and public communications consultants, and from other aerospace industry professionals. Other outside resources will be consulted and included in working group meetings as deemed necessary.

Industry alliance initiatives will be directed by the Senior Director, Cecil Field with support and assistance from JAA's Director of Aviation Marketing. An industry alliance working group will be formed by the Senior Director, Cecil Field to discuss, prioritize, schedule and oversee the specific initiatives and activities as outlined in the Industry Alliance section of the strategy. Representatives from the Chamber of Commerce, Enterprise Florida, Space Florida, the JEDC and the City's Cecil Commerce Center Master Developer along with industry consultants will be included in this working group. As deemed appropriate, other representatives from aviation and aerospace companies will be invited to participate in the formulation of specific action items and in reaching out to industry executives.

Communications and community outreach activities as outlined in this strategy will be implemented by JAA's Director of External Affairs with support from the Administrator of Community Relations. A working group will be formed by the Director of External Affairs in order to discuss, prioritize, schedule and oversee the specific initiatives and activities outlined in the Communications and Community Outreach Plan. Federal, state, local and private sector representatives from JAA's media/public relations consulting team, industry consultants, federal, state and local lobbyists and other individuals as appropriate will be included in this working group.

Appendix A

Background

History of Cecil Field

Cecil Field has a long and proud history of service to the nation. In early 1941, when it appeared likely that the United States would be involved in World War II, flight training at NAS Jacksonville increased tremendously. It soon became apparent that additional facilities would be required to train this influx of student pilots, so in June of that year, the Navy purchased 2,600 acres in southwestern Duval County for \$16,851. Construction of a new air facility progressed rapidly, and within six months, flight operations began, partially easing the heavy flight training schedule at NAS Jacksonville. In February 1943, the field was commissioned as the U.S. Naval Auxiliary Air Station Cecil Field, in honor of Commander Henry Barton Cecil, USN, who died in the crash of the dirigible Akron in 1933.

At the time of its commissioning, Cecil Field consisted of a 2,000-foot circular landing mat with two maintenance hangars and a small number of administrative, housing, and maintenance buildings. Cecil Field continued to develop; however, to accommodate the expanding naval flight training program that became necessary as the United States became more deeply involved in the war. Extensions to the circular landing mat were constructed to form four 5,000-foot runways to meet the needs of training pilots for combat flight operations. Other facilities were also expanded to support the increased program.

NAAS Cecil Field operated at full capacity during the war years but was reduced to a caretaker status when the war ended. It remained in this status until November 1948, when it was selected as the home base for two carrier air groups, consisting of approximately 200 aircraft. In January 1949, Carrier Air Group 17 arrived at Cecil Field with the only jet squadron on the east coast. One month later, Carrier Air Group One and Fleet Aircraft Service Squadron Nine reported, and NAAS Cecil Field once again became fully operational. In mid-1950, the outbreak of hostilities in Korea resulted in additional activity at the Base.

Further stimulus to the growth of the station was given when it was selected for development as a master jet base under a plan proposed by Captain R. W. D. Woods. NAAS Cecil Field was one of four bases selected for development under the Woods Plan which called for the establishment of a small number of naval air stations designed specifically for the operation of jet aircraft. The stations were to be near enough to the Navy's seaport bases for their logistics support, but far enough from large population centers to allow for major expansion to accommodate the rapidly advancing jet-age technology.

Early in 1951, the Navy purchased an additional 2,000 acres, and by July of that year, a multimillion-dollar construction program was underway. Four 8,000-foot runways in right-angled pairs and new buildings were constructed to serve the station's expanding population. On June 30, 1952, NAAS Cecil Field was redesignated NAS Cecil Field. Jacksonville then had one of the Navy's two master jet bases on the East Coast. The expansion program has continued through the years, with the purchase of surrounding land and the extension of one of the runways to 12,500 feet.

In 1993, Naval Air Station Cecil Field was announced for closure by action of the Base Realignment and Closure Commission. The Mayor's Base Closure and Reuse Commission developed a plan for the reuse and redevelopment of the property at Cecil Field that, in part, called for the airport portion to be owned and operated by then the Jacksonville Port Authority. On October 1, 1999, the 6,000 acre airport portion of the former Naval Air Station Cecil Field was transferred by quitclaim deed from the U. S. Navy to the Jacksonville Port Authority, predecessor to the current owner, the Jacksonville Aviation Authority. The covenants and restrictions contained in the deed have, along with other Federal Aviation Administration Rules, Regulations, and Grant Assurances, guided the use and development of the airport. Cecil Field has operated under the management of the JAA as a "General Aviation" airport within the FAA's National Plan of Integrated Airport Systems for the past 10 years. As such Cecil Field has been eligible for Federal and state grants for infrastructure development and rehabilitation. On January 11, 2010, Cecil Field was awarded a Launch Site Operator License by the FAA. This license allows the JAA to launch and recover commercial horizontal launch space vehicles by a licensed operator.

Role of Cecil Field

As envisioned by Jacksonville's Base Reuse Commission and the JAA Board of Directors, the role of Cecil Field within JAA's system of airports is for aircraft and aircraft component maintenance repair and overhaul activities, corporate aviation, governmental and military operations, air cargo, and, more recently, as a licensed horizontal launch spaceport.

Cecil Field is one of four public-use airports in the Jacksonville area and generally serves a wide range of general aviation operations including a growing number of corporate jets. It is anticipated that this growth trend will continue into the future with increased military training, air cargo and aircraft maintenance/repair/overhaul (MRO) activities. Jacksonville International Airport will continue to be the primary commercial service airport with Cecil Field possibly, in the future, accommodating charter operations. Large commercial aircraft from Boeing 757's and 767's to MD-11's, operated by several different organizations, use the airport on a regular basis. Additionally, Boeing 747's and military C-17's and C-5's have conducted operations at the airport.

Cecil Field offers an ideal environment for MRO activities and its extensive facilities can easily support a wide range of related operations including manufacturing of aircraft and components, multi-modal industrial, warehousing and mixed retail. Jacksonville's available labor force includes skilled, experienced aviation workers, many with prior

military experience, thereby adding to the value of continued marketing and development of the airport for aircraft MRO, assembly, and manufacturing activities.

Flight training may also become a more important component of the airport's general aviation focus and airport activity. Currently approximately 55 percent of the traffic at Cecil is related to flight training with 60 percent of that traffic related to government aircraft training initiatives including flight operations by Department of Homeland Security and Department of Defense aircraft. General aviation operations by corporate and business users have recently been on the increase. Airport Master Plan estimates indicate that business related activity is likely to increase in the future along with the previously mentioned industrial/commercial areas of the airport. The airport also attracts a number of transient or visiting general aviation aircraft with approximately 40 percent of all visiting general aviation aircraft falling into the business jet category.

Currently, fifteen Florida Army National Guard helicopters and twelve United States Coast Guard helicopters are permanently located at Cecil Field. Based on this and other governmental training operations at the airport approximately 60 percent of the airport's total annual activity is attributable to governmental operations including visiting military aircraft, USCG aircraft and U.S. Customs and Border Patrol aircraft.

Previous Studies and Reports

The transition from an active military base to a public-use facility required several planning and environmental studies to be undertaken. Those studies and a brief summary of each are listed below.

NAS Cecil Field Base Reuse Plan (1996):

The Cecil Field Base Reuse Commission's Final Report, the NAS Cecil Field Final Base Reuse Plan, was issued in February 1996 and recommended that approximately 6,200 acres of NAS Cecil Field be conveyed from the Federal government to the Jacksonville Port Authority (JPA) by means of an FAA sponsored public airport conveyance for aviation related uses. Other conveyance decisions contained in the Base Reuse Plan included approximately 2,200 acres to the City of Jacksonville for park lands in Duval County, 640 acres to Clay County for park lands for that portion of Cecil Field in Clay County, and 8,300 acres to the City of Jacksonville by means of an Economic Development Conveyance for commercial, industrial and other uses. The Base Reuse Plan was approved by the Mayor of Jacksonville and forwarded to Jacksonville City Council and to the Department of Defense on March 15, 1996. On April 22, 1997, Jacksonville City Council endorsed the Base Reuse Plan for implementation. On May 12, 1998, the Council of the City of Jacksonville unanimously adopted resolution 98-274-A which: (1) endorsed and approved the decision of the JPA to seek and receive

conveyance of, operate, manage and develop approximately 6,000 acres of Cecil Field as a public airport; (2) endorsed a Memorandum of Agreement between the JPA and the JEDC regarding the functions and responsibilities of the two organizations for the transition, conveyance and economic development of Cecil Field; and (3) designated the JPA as the local governmental entity to serve as the “Airport Sponsor” for the transition, conversion and reuse of the airport property at Cecil Field.

Northeast Florida Aviation System Plan Update and Cecil Field Feasibility Study (July 1997):

The purpose of this study was to determine the potential role and service market that Cecil Field could fulfill with the Northeast Florida region. The report was required by both the Federal Aviation Administration (FAA) and Florida Department of Transportation (FDOT) in order to determine whether those entities would sponsor Cecil Field as a public airport within the Florida Aviation System Plan and the FAA’s National Plan of Integrated Airport Systems. Upon completion of the report and analysis by the agencies, both the State of Florida and the FAA became supporting sponsors for the conversion and reuse of Cecil Field as a public general aviation airport.

Cecil Field Strategic Airport Master Plan (1998):

The Cecil Field Strategic Airport Master Plan was compiled to serve both as the long-term development plan for Cecil Field and as a guide for the transition and conveyance of the aviation related land and facilities at Cecil Field from military ownership and control to civilian uses under Jacksonville Aviation Authority ownership and management. It was designed for and served as an effective presentation of the future development of the airport and to set the stage and establish the framework for a continuing planning process. The Airport Master Plan was presented to the Department of Defense as the communities plan for the reuse of the airport portion of the former NAS Cecil Field property.

Cecil Field Disposal and Reuse Environmental Impact Statement (1998):

In accordance with the National Environmental Policy Act of 1969 (NEPA), an environmental impact statement (EIS) was required for closure and transfer to the public of a military air base such as Cecil Field. The NAS Cecil Field EIS focused on mitigating possible environmental impacts and on determining the suitability of using the property for the purposes stated in the community’s base reuse plan.

The EIS used the land use plan as adopted by the Mayor's Base Reuse Commission as the preferred alternative for reuse of the property. Upon completion of the EIS and after receiving public input as required by NEPA, the Department of the Navy issued a Record of Decision (ROD) on May 19, 1999, approving the proposed land use plan and disposition of the property in accordance with the Base Reuse Plan. On June 25, 1999, the Federal Aviation Administration issued a Cooperating Agency Determination and Adoption of Primary Agency's Environmental Documentation and Environmental Findings for the disposal and reuse of Cecil Field as a civilian airport. In this report the FAA concurred in the Navy's EIS and ROD and adopted those documents and findings as FAA's documents and findings.

Master Stormwater Management Plan (2001):

The purpose of the Master Stormwater Management Plan was to identify conceptual stormwater Best Management Practices (BMP) that would serve existing and projected development and re-development of the 17,000 acres that makes up the City and JAA portions of Cecil. The report also contained water quality model results, BMP details and a proposed Conceptual Environmental Resource Permit. The overall intent of the plan was to streamline the design and construction permitting process by establishing design criteria that were to be approved by the Federal, state, and local agencies with wetland and stormwater jurisdiction over the site. The result of this effort was that JAA received a Conceptual Environmental Resource permit from the St. Johns River Water Management District and the U.S. Army Corp of Engineers that provide wetland and stormwater procedures to be followed along with the awarding of wetland impact credits from both agencies.

Cecil Field Airport Master Plan (2008):

A Cecil Field master plan update was begun in September 2004. This study was put on hold for over a year in 2005 due to an initiative pursued by the Federal government's Base Realignment and Closure Commission (BRAC) to return Cecil Field to the Department of the Navy for use as a master jet base. That initiative was not pursued further by the government after a local voter referendum turned out in favor of keeping the former NAS Cecil Field as a public use airport. The 2008 master plan was structured to identify current and future aviation demands so as to provide guidance for future development strategies. Since Cecil Field is an important part of the Jacksonville airport system, the airport development strategies developed during the planning process were integrated with local and regional issues, including environmental concerns, transportation needs and

socioeconomic interests. The plan identified the northwest, northeast and southeast quadrants as well as the mid-field area for development alternatives. The availability of infrastructure, access to existing airside and landside facilities and the ability for long-term expansion and environmental issues were examined for each site. The planned facilities in each of the preferred development areas were considered as adequate to satisfy the minimum facility requirements for the planning period. The northwest area offered immediate airside and landside access with relatively low capital costs. According to the plan, the area was sufficient to accommodate future demand for facilities well into the 20-year planning period.

Master Site Development Plan (2008):

The overall objective of the Cecil Field Master Site Development Plan was to create a comprehensive development and service plan and to provide strategies for marketing and financing the development as envisioned in the plan. The master plan addressed existing and future transportation linkages, multi-modal opportunities, building uses, building configurations, building area and densities, road networks, wetlands, topography, utilities infrastructure, regulatory and environmental considerations in order to create a realistic vision of what Cecil Field could become with proper long range development planning and marketing.

The Master Site Development Plan was formulated based on input gathered during the discovery and community outreach phases of the project through meetings amongst the project team and through direct input from the development community. The plan evolved numerous times throughout the process and was finalized by identifying ten separate and distinct development areas. Those development areas were arranged to integrate the new land uses with existing tenants and to take best advantage of the existing Cecil Field infrastructure, key off-site road connections, and the surrounding community and environmental considerations. The study also included an analysis of the existing infrastructure, grading, drainage, and wetlands impacting development at Cecil.

A comprehensive Marketing/Promotional Plan was also included to complement proposed development strategies and targeted uses and industries to ensure an executable strategy that would attract commercial real estate developers, brokers, aviation and non aviation end users to the site. Marketing strategies included a website incorporating important information relevant to the site and Jacksonville, promotional brochures, press advertisements, e-mailers, and multi-media presentations.

A Financial and Capital Improvement Plan was also prepared to conceptually capture the on site development costs associated with the strategies proposed in the development and service plans. This section of the plan included representative pro-forma's outlining the due diligence financial analysis a developer would undertake as a basis for decision making along with illustrating various cost factors that would be considered and evaluated as a basis for concluding that a project could be financially feasible.

Airport Technical Information

Cecil Field has two primary runways which are both outfitted with high intensity runway lighting systems. Both runways are 200' wide with the primary north-south runway, designated as 18 Left / 36 Right (18L/36R) measuring 12,500' in length and the east-west runway designated as 27 Left / 9 Right (27L/9R) measuring 8,000' in length. Both runways are served by parallel 75' wide taxiways. The primary runways are equipped with precision path approach lights which provide a visual transition for pilots from instrument approach procedures to visual contact with the runway and provide information to the pilot regarding the glide slope to the runway touchdown point. A medium intensity approach lighting system with runway alignment indicator lights (flashing strobes) is installed on the approach end of both runways 36R and 9R. Runway end identification lights are installed on the approach end of runways 18L and 27L.

In addition to the two primary "instrument" runways, Cecil Field also has two secondary or utility runways. These runways, 18 Right / 36 Left (18R/36L) and 9 Left / 27 Right (9L/27R) are unlit and are used for daytime operations only. Both runways are 200' wide and 8,000' long. Due to maintenance cost considerations, the long range plan for these runways is to shorten runway 9L/27R to approximately 4,000' in length and runway 18R/36L to approximately 6,000' in length. In this configuration the runways will be available for smaller aircraft and helicopter operations. Keeping the two utility runways in use will greatly enhance airport operational capacity by allowing simultaneous operations by large/heavy and high performance aircraft on the primary runways and operations by smaller and slower general aviation aircraft and helicopters on the inboard utility runways.

Due to significant helicopter operations by Cecil tenants, three helicopter landing pads have been established at the airport for initial takeoff and return to base operations. One of these pads is located east of the air traffic control tower and two are located on the west end of the airport near the U.S. Army National Guard and U.S. Coast Guard hangars.

Cecil Field currently has a Category I Instrument Landing System (ILS) for low visibility approaches to runway 36R and for circling approaches to the other primary runways. In addition to this ground based precision approach navigational system the airport has an FAA approved "non precision" VOR approach to runway 9R and Global Positioning System (GPS) approaches to all primary runways. In 2010 the FAA will commission

precision GPS – LPV (localizer precision with vertical guidance) approaches to all primary runways as well.

The airport is served by a full service Fixed Base Operator (FBO), Jacksonville JetPort, which provides a variety of airport and aircraft services to tenant and transient aircraft including aircraft fueling, de-fueling, and many other line services. The Jacksonville Fire and Rescue Department (JFRD) provides aircraft rescue and firefighting services to the airport on a 24 hour a day, 7 days a week basis. The air traffic control tower is operated by Robinson Aviation under contract to the Federal Aviation Administration under the FAA's Contract Tower Program. An Automated Weather Observation System (AWOS) is located on the field and provides meteorological information to the air traffic control tower and the national airport weather reporting system via digital automated weather observation information to the national system.

Utility Systems and Infrastructure

Water, Sewer and Power: The Jacksonville Electric Authority (JEA) has assumed ownership and control of the water, sewer, and power utilities on most of the developed part of airport property. JEA operates a water and sewer treatment plant near the airport and has plans to build an electric substation just off airport property along Aviation Avenue as a means of serving new development both on the airport parcel and on the City parcel of Cecil Commerce Center. The Cecil Commerce Water Treatment Plant provides water to Cecil Field tenants. The sewage system is comprised of an in-service collection and force main system. Cecil Field receives electrical service from a 25-KV substation. This feed is directed through two electrical routes via New World Ave and Perimeter Road/Aviation Ave. This provides a redundant electrical service loop for the JAA and Cecil Field tenants.

Fire Suppression Systems: The JAA operates the main fire suppression system on the airport. Provision of this service is accomplished by use of two pumps houses, six pumps/engines, and two water storage tanks with a total of 750,000 gallons of fire suppression water capacity. The oldest hangars (13 and 14), circa 1941, are not connected to the JAA system and are supplied fire protection water service through the JEA potable water supply. The Florida Army National Guard hangar has a stand alone fire suppression system with its own pump house, three pump/engines, and one 200,000 gallon water storage tank.

Natural Gas: TECO Gas Company provides natural gas service to all facilities at the airport requiring natural gas. The main service lines run along the airport's boundary. Natural gas is used by most tenants for heating. The maximum gas line on the airport property is 4 inches.

Stormwater: Stormwater runoff from the airport is routed through a complex piping system and contained in multiple stormwater management facilities. These facilities include a series of inlets and outfalls connected via underground pipes and ditches and discharges into nearby streams and tributary systems.

Telecommunications: ATandT has a telecommunications substation just off Aviation Avenue on airport property at Cecil. This substation provides direct support to the JAA and Cecil Field tenants. The main communications backbone is comprised of fiber optic lines along Aviation and New World Ave. Most tenants have fiber connectivity to the substation.

Airfield Electrical System: The primary airfield electrical system receives its power from the JEA electrical system to an electrical vault near the JAA administrative building on the airport. From this vault electrical power is distributed to the various airfield electrical circuits for runways, taxiways, and certain approach lighting systems. Two additional vaults, fed from JAA overhead lines supply power to the Instrument Landing System and to other runway approach lighting systems. All vaults are backed up with emergency generators.

Airfield Pavement: In 1992, the Florida Department of Transportation implemented a Pavement Management System program to improve knowledge of pavement conditions at public airports in the state, to identify maintenance needs at individual airports, to automate information management, and to establish standards to address future needs. After inspection and analysis FDOT, in 2008, issued a report on the condition of pavement at Cecil Field. Cecil Field's pavement area consists of approximately 24.8 million square feet of runway pavement, 15.4 million square feet of taxiway pavement, and 14.9 million square feet of apron pavement for a total pavement area of approximately 54.1 million square feet.

Airport Hangars and Buildings

There are twelve aircraft hangars at Cecil Field totaling approximately 1 million square feet. Additionally there are 33 office and warehouse buildings containing approximately 354,000 square feet as indicated in the following tables.

Hangars:

Current Tenant	HANGAR #	OFFICE/SHOP/ MECHANICAL SQ. FT.	HANGAR BAY SQ. FT.	TOTAL SQ.FT.	CLEAR DOOR OPENIN GS (Width x Height)	HANGAR DECK SIZE (Width x Depth)
Coast Guard	13 North Bay	10,400	20,000	30,400	2-100' x 28'6"	100' x 200'
Coast Guard	13 South Bay	10,400	20,000	30,400	2-100' x 28'6"	100' x 200'
FSCJ	14 North Bay	10,400	20,000	30,400	2-100' x 28'6"	100' x 200'
JJP / CBP	14 South Bay	10,400	20,000	30,400	2-100' x 28'6"	100' x 200'
Boeing	67 West Bay	15,520	36,000	51,520	2-150' x 40'	150' x 240'
Boeing	67 East Bay	15,520	36,000	51,520	2-150' x 40'	150' x 240'
Boeing	67 Center Section	57,840		57,840		
Boeing	312	1,200	4,400	5,600	59.8' x 20'	80' x 55'
Boeing	825	50,916	52,240	103,156	653' x 27'	653' x 80'
Boeing	1820	51,422	56,840	108,262	580' x 28'	580' x 98'
Flightstar	815	54,168	145,092	199,260	2-176' x 50' 1-182' x 60'	642' x 226'
FLARNG	860	39,024	43,300	82,324	433' x 27'	433' x 100'
FLARNG	864	6,142	31,941	38,083	273' x 24'	273' x 117'
FRC - SE	1845	35,696	37,926	73,622	387' x 28'	387' x 98'
	880	13,970	22,500	36,470	134' x 28' Tail slot 12'w x 17'h	150' x 150'
FSCJ - JAA (FAS)	905	24,000	76,000	100,000	1-160' x 28' 2-144' x 28' Tail slots 32'w x 22'h	498' x 210'
HANGAR TOTAL		407,018	622,239	1,029,257		

Significant Buildings:

Current Tenant	Building #	Total SQ. FT.
LSI	824	101,348
Woods Group, Pratt and Whitney	313	51,966
USCG	1846	37,188
FLARNG	858	22,780
Flightstar	504	22,032
Boeing	1823	16,000
JAA / Jax JetPort	82	15,787
JAA	595	7,546
FLARNG	179	7,200
JFRD	72	6,780
L-3, Titan	887	6,480
JAA	594	5,005
Woods Group, Pratt and Whitney	818	4,966
Jax JetPort	1848	4,620
Jax JetPort	177	4,468
Jax JetPort	10	3,539
Jax JetPort	373	3,200
FLARNG	873	2,432
	844	2,400
Boeing	884	2,400
JJP	547	2,400
JAA	604	2,400
Woods Group, Pratt and Whitney	334	2,277
Woods Group, Pratt and Whitney	339	2,277
Boeing	1850	2,000
Woods Group, Pratt and Whitney	328	1,950
JAA	502	2,100
Boeing	1849	1,700
JAA	823	1,760
FLARNG	865	1,444
Jax JetPort	19	980
Jax JetPort	20	980
BUILDING TOTAL		353,539

Current Cecil Field Tenants

THE BOEING COMPANY



The Boeing Company is the largest tenant at Cecil Field and as part of the company's Aerospace Support Division, its focus is primarily on the modification of F/A-18 aircraft Hornets for the Navy and Marine Corps. Just recently the facility became the national center of component structural repair for F/A-18 Hornet and Super Hornet after Boeing closed its Mesa, AZ location. All of the next-generation F/A-18C and D model Hornets to be used by the Navy's Blue Angels are to undergo conversion at Boeing's Cecil Field facility.



Florida Army National Guard - ARMY AVIATION SUPPORT FACILITY

Cecil Field's Florida Army National Guard (FLARNG) contingent is part of the 1st Battalion of the 111th Aviation Regiment. Currently housed on the FLARNG's leasehold are CH-47 Chinooks, UH-60 Blackhawks, and OH-58 Kiowas, all aiding the Guard in its mission. FLARNG has recently completed a new hangar facility on the airport. Units of the 111th deploy to various sites around the world in support of U.S. military operations.

FLEET READINESS CENTER, SOUTHEAST



The Naval Air Systems Command (NAVAIR) operates three Fleet Readiness Centers within the continental United States. These modern industrial facilities provide in-depth overhaul, repair, and modification of aircraft, engines, avionics, and aeronautical components. Fleet Readiness Center, Southeast (FRC SE) falls under NAVAIR and is located primarily at Jacksonville NAS. FRC leases a hangar at Cecil Field for maintenance of Boeing F-18's.

FLIGHTSTAR AIRCRAFT SERVICES, INC.



Located in Cecil's largest hangar, Flightstar specializes in maintenance, repair, and overhaul of various types of heavy aircraft. They service multiple types of commercial aircraft including DC-10, MD-11, DC-9, MD-80, B-727, B-737, and B-757 aircraft. Federal Express currently contracts with Flightstar for provision of Phase C and D maintenance checks on its fleet of B-727 aircraft. Various air cargo companies contract with Flightstar to convert passenger 757 aircraft to a cargo configuration.

FLORIDA STATE COLLEGE AT JACKSONVILLE



Florida State College at Jacksonville has two locations in the Cecil area, one in a hangar on the airfield and the other just north of the hangar on property owned by the City of Jacksonville. In the hangar is FSCJ's FAA-certified Part 147 program where students train to become Airframe and Powerplant mechanics. The curriculum also includes avionics and airport operations and management. Students have access to numerous hands-on mock-ups, models, and actual aircraft and airplane engines on the hangar bay. The complex on city property, houses the school's state-of-the-art air traffic control training center. In advancement of its aviation training program, the college is in the construction phase of a new Aircraft Services Educational Facility being built on the north end of the airfield. This facility will be used for student training and will be operated by a commercial aircraft MRO company.



JACKSONVILLE FIRE/RESCUE DEPARTMENT (JFRD)

JFRD Station 56 at Cecil Field provides fire fighting and rescue response for any aircraft accidents, incidents, or structural fires that may occur on the airport. The City of Jacksonville funds two ARFF-certified personnel to respond to the airfield at all times. Although Cecil is not a PART 139 air carrier airport, Station 56 provides the equipment equivalent to a Class C ARFF index.



JACKSONVILLE JETPORT

Jacksonville JetPort is Cecil Field's sole Fixed Base Operator (FBO). A full-service FBO, JetPort offers various amenities and services to pilots and passengers traveling through Cecil Field, including aircraft fueling, basic aircraft servicing, rental cars, a pilot lounge and weather briefing/flight planning room, and tie-down locations.

L-3 COMMUNICATIONS – TITAN GROUP



L-3 Titan leases an office complex at Cecil Field and is a leading provider of information and communications products, solutions, and services for the Department of Defense, intelligence agencies, and other government customers.

LSI (LOGISTIC SERVICES INTERNATIONAL)



LSI provides training and technical support services to the U.S. Government, foreign militaries, and the aerospace industry. LSI offers its customers a wide spectrum of technical training and publications services. The Cecil Training and Support Center provides computer based simulation and training support to the Department of Defense and the commercial aviation industry.

ROBINSON AVIATION



Robinson Aviation, Inc (RVA) is the contract tower operator for Cecil Field and is responsible for staffing and operating the tower seven days a week from 7 am until 9 pm. At least two controllers are on duty at all times.

US COAST GUARD HITRON



The United States Coast Guard Helicopter Interdiction Tactical Squadron (HITRON) is the Coast Guard's only armed aviation unit and was developed in 1998 to counter seaborne drug trafficking. HITRON utilizes the MH-65C Dolphin helicopters which are armed with M240 7.62mm machine guns, M107 .50-caliber rifles, and M14 7.62mm rifles. The HITRON squadron is located inside the fenced-off ramp area on the west side of the airport.

US CUSTOMS AND BORDER PROTECTION



U.S. Customs currently houses a detachment of P-3 surveillance and interdiction aircraft at Cecil Field. The P-3s at Cecil are a crucial component of CBP's Office of Air and

Marine. Along with their sister squadron in Corpus Christi, TX. CBP's aircraft at Cecil conduct long-range patrols of our nation's coastlines and the open oceans with the mission of supporting air-to-ground interception of people and contraband illegally crossing land borders, air-to-air interception of aircraft, and air-to-water interception of transportation vessels.

WOOD GROUP PRATT AND WHITNEY



Wood Group Pratt and Whitney specializes in the overhaul and repair, inspection, modular maintenance and component and control repair of various industrial turbine engines and generators.

Political Jurisdictions

The Jacksonville Aviation Authority (JAA) owns and operates Cecil Field as well as three other airports within the Jacksonville city limits. In 2001, the Florida State legislature created JAA from the former Jacksonville Port Authority. JAA is a political subdivision of the state, with powers that include implementing regulations and imposing user fees. The Authority is run by a governing board made of seven members, four appointed by the Governor of Florida and three appointed by the Mayor of Jacksonville. Day-to-day management responsibility falls to an executive director and his staff. JAA has control over on-airport land use and works with neighboring governments to enact appropriate land use and zoning legislation for close-in areas.

In 1968, the City consolidated with Duval County to streamline governmental services. The City's consolidated government is organized with a mayor as the executive officer and a 19-member city council responsible for legislative matters. Additionally, Clay County also has governmental authority over areas in close proximity south of Cecil Field. Clay County is organized with a county manager who is appointed by the county commission to execute legislation and handle operational issues. The commission consists of five members who are elected from districts within the county.

While not technically a governing authority, the decisions of the regional transportation planning organization do impact Cecil Field. As required by federal law, jurisdictions in the Jacksonville area participate in regional transportation planning. This is accomplished in the Jacksonville area through the First Coast Transportation Planning Organization (TPO). This TPO works to bring regional entities together to identify and prioritize needed transportation infrastructure. This regional approach provides a more accurate assessment of needed transportation improvements since people often live in one jurisdiction, while working in another. Coordination with this entity is important for JAA

because having adequate vehicular access routes is vital to the airport's long-term success.

Environmental Considerations

Aircraft Noise: City of Jacksonville Ordinance Code, Title XVII (Land Use), Chapter 656 (Zoning Code), Part 10 (Regulations Related to Airports and Lands Adjacent Thereto) was enacted "to promote the health, safety and general welfare of the inhabitants and visitors of the city by preventing the creation, establishment or maintenance of hazards to aircraft, preventing the destruction or impairment of the utility of the airports in the city and the public investment therein and protecting the lives and properties of owners or occupants of lands in the vicinity of airports as well as the users of airports and to aid and implement the overriding federal interest in safe operation of airports and the security of land surrounding airports." The JAA is responsible for determining and providing maps to the City associated with Airport Environ Zones, Airport Notice Zones, and Airport Noise Zones as defined in Part 10. Upon submission to the City, and after recommendation by the Planning and Development Department and the Planning Commission, those maps are presented to the City Council for adoption into the Zoning Atlas. In addition to Environ, Notice, and Noise Zones the regulations address height restrictions in the vicinity of the airports within city boundaries. These height regulations refer to Federal Aviation Regulation Part 77, which describe height restrictions in various areas around an airport.

Clay County also has enacted aviation-related zoning through County Ordinance 85-87, as amended. These regulations set forth similar restrictions as those enacted by the City of Jacksonville including the use of disclosure statements by property sellers. These regulations address land use restrictions related to height restrictions and noise impacts.

Environmental Restoration/Cleanup Program: The "Comprehensive Environmental Response, Compensation and Liability Act" (CERCLA) of 1980 assigned cleanup responsibilities for releases of hazardous substances to "responsible parties," including federal agencies. In the case of Cecil Field this responsibility is that of the Department of the Navy. CERCLA imposed several requirements on all transfers of federal real property owned by the United States to non-federal entities including a covenant in the deed that "all remedial action necessary to protect human health and the environment with respect to any substance remaining on the property has been taken before the date of transfer" and that the deed covenant that the United States will return and perform any response action that may be required in the future.

On October 1, 1999, the Jacksonville Airport Authority (JAA) took conveyance of the airport at Cecil Field from the Department of the Navy. 5,750 acres of the overall 6,081 acre airport parcel were conveyed by title to the JAA (Phase I property transfer). The remaining 331 acres was leased by the Navy to the JAA pending completion of Navy, Environmental Protection Agency (EPA), and Florida Department of Environmental

Protection (FDEP) environmental investigation and remediation activities. A summary of the property transfers is in the following table.

<u>DOCUMENT</u>	<u>DATE</u>	<u>SUMMARY</u>	<u>ACRES</u>
Quitclaim Deed (Phase I)	Sept. 29, 1999	Transferred 5,750 acres of Cecil Field from the Navy to the JAA	5,750
Quitclaim Deed (Phase II)	Sept. 27, 2000	Transferred 28 acres of Cecil Field from the Navy to the JAA	28
Quitclaim Deed (Phase III)	Mar. 31, 2003	Transferred 13 acres of Cecil Field from the Navy to the JAA	13
Quitclaim Deed (Phase IV)	July 18, 2005	Transferred 121 acres of Cecil Field from the Navy to the JAA	121
Quitclaim Deed (Phase V)	July 25, 2007	Transferred 148 acres of Cecil Field from the Navy to the JAA	148
Quitclaim Deed (Phase VI)	June 21, 2010	Transfer 21 acres of Cecil Field from the Navy to JAA	21
			6,081

For each transfer the Navy, in cooperation with the U.S. Environmental Protection Agency (EPA) and the Florida Department of Environmental Protection (FDEP) through a Federal Facilities Agreement, prepares an "Environmental Baseline Survey for Transfer" (EBST) and a "Finding of Suitability to Transfer" (FOST). These documents, required by CERCLA, state, in part, that the property and associated improvements on the parcels to be transferred are environmentally suitable for transfer to the JAA. The EPA and FDEP, as cooperative members of the Cecil Field Base Cleanup Team (BCT), must concur with the findings in the FOST and EBST before it can be signed by the Navy. Once the EBST and FOST are finalized and approved a Quitclaim Deed is prepared by the Navy.

Wetland Impact: In 1995, during the mandatory federal and state property screening process for Cecil Field, the State Department of Agriculture filed an application for conveyance of approximately 11,000 acres of land at Cecil Field. This application was approved by the U.S. Department of the Interior under the Federal Lands to Parks program and forwarded to the Department of the Navy for action. In 1996, during development of the Cecil Field Base Reuse Plan, the state's endeavor to take title to the 11,000 acres was not endorsed by the Mayor's Base Reuse Commission. The Commission did, however, include in the plan provisions to (1) set aside a passive recreation corridor for the purpose of protecting and preserving relatively undisturbed upland and wetland systems along the western boundary of the base, (2) develop a coordinated forestry management plan for the entire site, and (3) establish an overall Cecil Field wetland mitigation plan. The Base Reuse Plan was approved and adopted by the Jacksonville City Council on April 25, 1997 and on January 28, 1998, the JPA Board

of Directors adopted a Resolution authorizing the President and CEO to sign a Memorandum of Understanding between the JPA, the St. Johns River Water Management District, the City of Jacksonville, Clay County and the Florida Department of Environmental Protection to establish a Cecil Field Wetland Mitigation Plan and Natural and Recreation Corridor.

On March 5, 2001, the Jacksonville Aviation Authority (JAA), along with the City of Jacksonville, applied to the St. Johns River Water Management District (SJRWMD) for a Conceptual Environmental Resource Permit. The permit application called for the setting aside of the Natural and Recreation Corridor on City and JAA property at Cecil Commerce Center by means of a Conservation Easement in exchange for approval to selectively clear and fill for development 497.06 acres of SJRWMD jurisdictional wetlands/surface waters throughout the 17,000 acre Cecil Field/Cecil Commerce Center complex. On November 13, 2001, the SJRWMD approved the issuance of Permit No. 4-031-70452-1 jointly to the City of Jacksonville and the JAA. Based on land disposition formulas the City received a total of 369.51 acres of impact credit and the JAA 127.55 acres of impact credit. These credits have been and will continue to be used to promote economic growth and development on various sectors of the airport.

Transportation Linkages

One of the keys to drawing future businesses to Cecil Field and Cecil Commerce Center is the continued development and presence of a robust transportation infrastructure. Today this infrastructure consists of three major interstate highway systems (I-10, I-95, and I-295), a deep water seaport, and three rail lines (CSX, Norfolk Southern, and Florida East Coast). This diversified system of transportation supports economic activity and growth within the region.

Highways: Cecil Field is located approximately 5 miles south of Interstate 10 with direct access to the interstate via a new four lane divided highway through the Cecil Commerce Center. Interstate highways I-295, I-95 and I-75 are easily accessible via Interstate 10. The planned First Coast Outer Beltway (I-495) is to be located directly adjacent to Cecil Field property along the airport's eastern boundary. This roadway will connect Interstate 10 just north of Cecil Field to Interstate 95 just west of St. Augustine.

Sea Ports: The Jacksonville Port Authority, an independent authority of the City of Jacksonville, operates three seaport facilities. In recent years, these facilities have handled over 7.3 million tons of cargo, including 540,000 vehicles. The Port Authority has an on-going project to deepen the St. Johns River channel to 40 feet. Port facilities include:

Talleyrand Terminal: This is the closest port facility to Cecil Field. The port facility is located near downtown Jacksonville along the St. Johns River. This facility provides connections to the CSX, FEC, and Norfolk-Southern rail lines. The facility has 160,000 square feet of storage space, including some cold storage areas. It is part of Foreign

Trade Zone No. 64. The facility handles most types of cargo, including containerized, break bulk, and liquid bulk commodities as well as vehicles.

Blount Island Terminal: This is the closest terminal to the Atlantic Ocean in Jacksonville. It is approximately 35 miles from Cecil Field and serves as one of the largest vehicle import-export centers in the U.S. It also handles containerized, break bulk, and Ro/Ro cargo.

Dames Point Terminal: This facility is the newest of the seaport terminals operated by the Port Authority. It is located west of and adjacent to the Blount Island facility. Carnival and Celebrity cruise lines began cruise ship operations in 2003 at this terminal. In addition to cruise ship activities, port operations includes bulk cargo movement, such as limestone and granite.

Railways: Three railways traverse the City of Jacksonville. CSX, Florida East Coast, and Norfolk Southern provide rail connections from Jacksonville to destinations all across the nation. AMTRAK offers passenger service from Jacksonville up and down the east coast. The AMTRAK terminal is located approximately 19 miles northeast of the Cecil Field. The closest rail connection to Cecil Field is the east west CSX line located just north of I-10.

Appendix B

Regulatory Considerations

Publicly owned airports are subject to a variety of federal regulations as specified in Title 14 U.S. Code of Federal Regulations (CFR), Chapters I and II, Federal Aviation Regulations (FARs). These regulations regulate aircraft, airmen, airports, and the national airspace system and charge the FAA Administrator with broad responsibilities for the regulation of air commerce in the interests of safety and national defense and for the development of civil aeronautics. Under these broad powers, FAA has been tasked with promoting air commerce while seeking to achieve safety and efficiency of the total airspace system through direct regulation of airmen, aircraft, navigable airspace, and airport operations.

The federal interest in advancing civil aviation has been augmented by various legislative actions that authorize programs for granting property, funds, and other assistance to local communities to develop airport facilities. In each program, the airport sponsor assumes certain federal obligations, either by contract or by restrictive covenants in property deeds, to maintain and operate its airport facilities safely and efficiently and in accordance with specified conditions. Commitments assumed by airport sponsors in deeds or grant agreements are designed to ensure that the airport is operated efficiently for the benefit of the public and maintained properly for the safe conduct of air commerce.

The Airport Compliance Program established in FAA Order 5190.6B is designed to protect the public interest in civil aviation. Grants and property conveyances are made in exchange for binding commitments (federal obligations) designed to ensure that the public interest in civil aviation will be served. Through Order 5190.6B the FAA bears the responsibility of seeing that the grant assurance and property transfer commitments are met by airport sponsors. The order provides guidance, policy, and procedures for an FAA administered comprehensive Airport Compliance Program. This program is designed to monitor and ensure airport sponsor compliance with the applicable federal obligations assumed in the acceptance of airport development assistance and property ownership.

The federal obligations pertaining to Cecil Field are mandated by federal statute and incorporated in either the grant agreements and/or the property conveyance deed entered into by the JAA and the United States Government.

Federal Grant Assurances

Key grant assurances governing the JAA's use and development of the airport include the following:

Section 5. Preserving Rights and Powers.

a. JAA will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in the grant agreement without the written approval of the Secretary of Transportation, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the sponsor. This shall be done in a manner acceptable to the Secretary.

b. JAA will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on the airport property map without approval by the Secretary of Transportation.

c. Section 22. Economic Nondiscrimination.

a. JAA will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

b. In any agreement, contract, lease, or other arrangement under which a right or privilege at the airport is granted to any person, firm, or corporation to conduct or to engage in any aeronautical activity for furnishing services to the public at the airport, the JAA will insert and enforce provisions requiring the contractor or lessee to:

- (1) Furnish said services on a reasonable and not unjustly discriminatory basis to all users, and
- (2) Charge reasonable, and not unjustly discriminatory, prices for each unit or service, provided that the contractor may be allowed to make reasonable and nondiscriminatory discounts, rebates, or other similar types of price reductions to volume purchasers.

c. That each fixed-base operator at the airport shall be subject to the same rates, fees, rentals, and other charges as are uniformly applicable to all other fixed-base operators making the same or similar uses of such airport and using the same or similar facilities.

d. That JAA will not exercise or grant any right or privilege which operates to prevent any person, firm, or corporation operating aircraft on the airport from performing any services on its own aircraft with its own employees [including, but not limited to maintenance, repair, and fueling] that it may choose to perform.

g. The JAA may establish such reasonable, and not unjustly discriminatory, conditions to be met by all users of the airport as may be necessary for the safe and efficient operation of the airport.

h. The JAA may prohibit or limit any given type, kind or class of aeronautical use of the airport if such action is necessary for the safe operation of the airport or necessary to serve the civil aviation needs of the public.

Section 23. Exclusive Rights. JAA will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public. The providing of the services at an airport by a single fixed-base operator is not to be construed as an exclusive right if both of the following apply:

a. It would be unreasonably costly, burdensome, or impractical for more than one fixed-base operator to provide such services, and

b. If allowing more than one fixed-base operator to provide such services would require the reduction of space leased pursuant to an existing agreement between such single fixed-base operator and such airport.

That JAA will not, either directly or indirectly, grant or permit any person, firm, or corporation, the exclusive right at the airport to conduct any aeronautical activities, including, but not limited to charter flights, pilot training, aircraft rental and sightseeing, aerial photography, crop dusting, aerial advertising and surveying, air carrier operations, aircraft sales and services, sale of aviation petroleum products whether or not conducted in conjunction with other aeronautical activity, repair and maintenance of aircraft, sale of aircraft parts, and any other activities which because of their direct relationship to the operation of aircraft can be regarded as an aeronautical activity, and that it will terminate any exclusive right to conduct an aeronautical activity now existing at such an airport before the grant of any assistance under Title 49, United States Code.

Section 24. Fee and Rental Structure. JAA will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport, taking into account such factors as the volume of traffic and economy of collection. No part of the federal share of an airport development, airport planning or noise compatibility project for which a grant is made under Title 49, United States Code, the Airport and Airway Improvement Act of 1982 (AAIA), the Federal Airport Act or the Airport and Airway Development Act of 1970 shall be included in the rate basis in establishing fees, rates, and charges for users of that airport.

Section 25. Airport Revenues.

a. That all revenue generated by the airport and any local taxes on aviation fuel established after December 30, 1987, will be expended by it for the capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property; or for noise mitigation purposes on or off the airport.

b. That as part of the annual audit required under the Single Audit Act of 1984, the JAA will direct that the audit will review, and the resulting audit report will provide an opinion concerning, the use of airport revenue and taxes and indicating whether funds paid or transferred to the owner or operator are paid or transferred in a manner consistent with Title 49, United States Code and any other applicable provision of law, including any regulation promulgated by the Secretary or Administrator.

Deed – Covenants and Restrictions

Covenants in the deed that transferred Cecil Field property to the JAA are very similar to the above mentioned grant assurances. Key elements of the covenants in the deed governing JAA's operation, maintenance and development of the airport include the following:

1. That no Property transferred by the Deed shall be used, leased, sold, salvaged, or disposed of for other than Airport purposes without the written consent of the FAA. The term "Property" includes revenues or proceeds derived from the airport.

2. That property transferred for the development, improvement, operation or maintenance of the Airport shall be used and maintained for the use and benefit of the public on fair and reasonable terms, without unjust discrimination and without grant or exercise of any exclusive right for use of the Airport. In furtherance of this covenant the JAA specifically agrees:

(a) That it will keep the Airport available as an airport for public use on fair and reasonable terms and without unjust discrimination, to all types, kinds, and classes of aeronautical uses.

(b) That in its operation and the operation of facilities on the Airport, neither it nor any person or organization occupying space or facilities thereupon will discriminate against any person or class of persons by reason of race, color, creed, age, religion, sex, handicap, or

national origin in the use of any of the facilities provided for the public on the Airport.

3. That JAA will not grant to, or permit any exclusive right, which is forbidden by FAA requirements and that it will not, either directly or indirectly, grant or permit any person, firm or corporation the exclusive right to conduct any aeronautical activity on the Airport.

4. That JAA shall, insofar as it is within its powers and to the extent reasonable, adequately clear and protect the aerial approaches to the Airport.

5. That JAA will operate and maintain the airport in a safe and serviceable condition.

6. That JAA will make available all facilities of the Airport at which the Property described herein is located or developed, and all those usable for the landing and taking off of aircraft, to the United States at all times, without charge, for use by Government aircraft in common with other aircraft, except that if the use by Government aircraft in common with other aircraft is substantial, a reasonable share, proportional to such use, of the cost of operating and maintaining facilities so used, may be charged.

7. That during any national emergency declared by the President of the United States of America or the Congress, including any existing national emergency, the Government shall have the right to make exclusive or non-exclusive use and have exclusive or non-exclusive control and possession, without charge, of the Airport, or of such portion thereof as it may desire, provided, however, that the Government shall be responsible for the entire cost of maintaining such part of the Airport as it may use exclusively, or over which it may have exclusive possession and control, and shall be obligated to contribute a reasonable share, commensurate with the use made by it, of the cost of maintenance of such property as it may use non exclusively or over which it may have non-exclusive control and possession. Provided, further, that the Government shall pay a fair rental as just compensation for its use, control, or possession, exclusively or non exclusively, of any improvement to the Airport made without United States aid and never owned by the United States.

8. That whenever so requested by the FAA, JAA will furnish without cost to the Government, for construction, operation and maintenance of facilities for air traffic control activities, or weather reporting activities, or communication activities related to air traffic control.

9. That the JAA will not enter into any transaction which would operate to deprive it of any of the rights and powers necessary to perform or comply with all the terms, covenants, conditions, restrictions, and reservations set forth in this Deed.

10. That the JAA will keep up to date at all times an Airport Layout Plan of the Airport.

11. That the terms, covenants, conditions, restrictions, and reservations set forth in the Deed are a binding servitude on the Property herein conveyed and shall be deemed to run with the land in perpetuity.

12. That all the revenues generated by the Airport shall be used exclusively for the capital or operating costs of the Airport; the local airport system; or any other local facility that is owned or operated by the JAA and that is directly and substantially related to the air transportation of passengers or property.

State of Florida – Grant Assurances

The Florida Administrative Code Chapter 14-60, Airport Licensing, Registration, and Airspace Protection, governs and promotes safe civil aviation by (1) eliminating hazards, providing airfield standards, (2) establishing licensing and registration of airports, and (3) providing for airspace protection pursuant to the requirements of Chapter 333, Florida Statutes. Additionally, prior to the State of Florida allocating funds for airport projects the airport operator/sponsor must give the following assurances:

1. **Good Title:** That it holds good title, satisfactory to the Department, to the airport.

2. **Preserving Rights and Powers:**

a. That it will not take or permit any action which would operate to deprive it of any of the rights and powers necessary to perform any or all of the terms, conditions, and assurances in the Agreement without the written approval of the Department, and will act promptly to acquire, extinguish or modify any outstanding rights or claims of right of others which would interfere with such performance by the Agency. This shall be done in a manner acceptable to the Department.

b. If an arrangement is made for management and operation of the airport by any agency or person other than the Authority, the Authority will reserve sufficient rights and authority to ensure that the airport will be operated and maintained according to applicable federal and state laws, regulations, and rules.

3. **Hazard Removal and Mitigation:** That JAA will clear and

protect terminal airspace required for instrument and visual operations at the airport (including established minimum flight altitudes) by removing, lowering, relocating, marking, or lighting or otherwise mitigating existing airport hazards and by preventing the establishment or creation of future airport hazards.

4. Compatible Land Use: That it will take appropriate action to ensure local government adoption of airport zoning ordinances that comply with Chapter 333, F.S. The ordinances shall address height restrictions and other potential aviation hazards and limitations on incompatible land uses in the vicinity of the airport. The vicinity of the airport includes all areas that will be affected by normal aircraft operations and noise.

That JAA will take appropriate action to oppose and/or disapprove any attempted change in local land use regulations that would adversely affect the continued level of airport operations by the creation or expansion of incompatible land use areas. The JAA will provide the Department with a copy of all local airport zoning ordinances, codes, rules, regulations, and amendments, including proposed and granted variances thereto.

5. Consistency with Local Plans: That JAA will take appropriate actions to have the current airport master plan adopted into the local government comprehensive plan at the earliest feasible opportunity.

6. Airport Layout Plan:

a. That JAA will keep a layout plan of the airport up to date showing:

(1) Boundaries of the airport and all proposed additions thereto, together with the boundaries of all offsite areas owned or controlled by the Authority for airport purposes and proposed additions thereto;

(2) Location and nature of all existing and proposed airport facilities and structures (such as runways, taxiways, aprons, terminal buildings, hangars, and roads), including all proposed extensions and reductions of existing airport facilities; and

(3) Location of all existing and proposed non-aviation areas and of all existing improvements thereon.

b. Such airport layout plans and each amendment, revision, or modification thereof, shall be subject to the approval of the Department. The JAA will not make or permit any changes or alterations in the airport or any of its facilities that are not in conformity with the airport layout plan as approved by the Department and which might, in the opinion of the Department, adversely affect the safety, utility, or efficiency of the airport.

7. Fee and Rental Structure: That JAA will maintain a fee and rental structure for the facilities and services at the airport which will make the airport as self-sustaining as possible under the circumstances existing at the particular airport taking into account such factors as the volume of traffic and economy of collection. If an agreement results in a facility that will be leased or otherwise produces revenue, the Authority assures that the revenue will be at fair market value or higher.

8. Airport Revenue: That all revenue generated by the airport will be expended for capital or operating costs of the airport; the local airport system; or other local facilities which are owned or operated by the owner or operator of the airport and which are directly and substantially related to the actual air transportation of passengers or property, or for environmental or noise mitigation purposes on or off the airport.

9. Financial Plan: That JAA will develop and maintain a cost-feasible financial plan to accomplish the projects necessary to achieve proposed airport improvements depicted in the airport layout plan. The financial plan shall be a part of the airport master plan. The financial plan shall realistically assess project phasing considering availability of state funding and local funding and the likelihood of federal funding under the Federal Aviation Administration's priority system. All project cost estimates contained in the financial plan shall be entered in the Joint Automated Capital Improvement Program (JACIP) and that the JACIP information shall be kept current as the financial plan is updated.

10. Operation and Maintenance: That the airport and all facilities which are necessary to serve the aeronautical users of the airport, shall be operated at all times in a safe and serviceable condition and in accordance with the minimum standards as may be required or prescribed by applicable federal and state agencies for maintenance and operation. The JAA assures that it will not cause or permit any activity or action thereon which would interfere with its use for airport purposes. Any proposal to temporarily close the airport for non-aeronautical purposes must first be approved by the Department. The JAA will have arrangements for promptly notifying airmen of any condition affecting aeronautical use of the airport.

11. Economic Nondiscrimination: That it will make the airport available as an airport for public use on reasonable terms and without unjust discrimination to all types, kinds, and classes of aeronautical activities, including commercial aeronautical activities offering services to the public at the airport.

12. Exclusive Rights: That it will permit no exclusive right for the use of the airport by any person providing, or intending to provide, aeronautical services to the public.

13. Federal Funding Eligibility: That JAA will take appropriate actions to

maintain federal funding eligibility for the airport. Further, it will avoid any action that renders the airport ineligible for federal funding.

14. Termination of Agreement: That JAA will make expenditures or incur obligations pertaining to an Agreement within two years after the date of the grant agreement or the Department of Transportation may terminate the agreement. The JAA may request a one-year extension of the two-year time period. The District Secretary shall have approval authority.

15. Retention of Rights and Interests: That JAA will not sell, lease, encumber, or otherwise transfer or dispose of any part of its title or other interests in the property shown on the airport property map, or for a noise compatibility program project, that portion of the property upon which state funds have been expended, for the duration of the terms, conditions, and assurances in the Agreement without approval by the FDOT.

16. Consultant, Contractor, Scope, and Cost Approval: That JAA will grant the FDOT the right to disapprove the JAA's employment of specific consultants, contractors, and subcontractors for all or any part of the project if the specific consultants, contractors, or subcontractors have a record of poor project performance with the FDOT. Further, the JAA assures that it will grant the FDOT the right to disapprove the proposed project scope and cost of professional services.

17. Airfield Access: That JAA will not grant or allow an easement or access that opens onto or crosses the airport runways, taxiways, flight line, passenger facilities, or any area used for emergency equipment, fuel, supplies, passengers, mail and freight, radar, communications, utilities, and landing systems, including but not limited to flight operations, ground services, emergency services, terminal facilities, maintenance, repair, or storage.

18. Project Development: That all project related work will comply with federal, state, and professional standards; applicable Federal Aviation Administration advisory circulars; and Florida Department of Transportation requirements per chapter 14-60, Florida Administrative Code, Airport Licensing, Registration, And Airspace Protection.

Local Governance

Off-airport areas surrounding Cecil Field fall under the jurisdiction of the consolidated government of the City of Jacksonville (Duval County) and Clay County. The land use and zoning classifications for surrounding areas reflect future planned uses are determined by the local government through the comprehensive planning process. The developments that are allowed in each land use and zoning designation are controlled through various land use and zoning ordinances.

Within the airport boundary, the City has designated two land use classifications. The first is a large multi-use area, which encompasses existing buildings, the airfield, and undeveloped areas. The second designation, located in the southwest quadrant of the airport property, is public facilities. This area was reserved during the Base Closure Study process for eventual use as an environmental mitigation area and for the development of community hiking trails. Land uses surrounding the airport cover the full-range of traditional land uses.

Agricultural uses predominate to the west whereas residential and commercial land uses dominate to the east of the airport. Small pockets of recreational and light industrial uses also exist to the west. One of the main residential developments to the southeast is OakLeaf Plantation, which is a master planned community that includes residential, commercial, and public developments. Some of the residential areas east and south of Cecil Field are likely to experience frequent aircraft over flights. Directly south of Cecil Field is an area designated by Clay County as open space/recreational use. This area encompasses a portion of Jennings State Forest. To the north and northwest are additional public facility and multi-use land uses. Much of these areas lie with the Cecil Field Commerce Center, a designated industrial park. This park primarily includes commercial, industrial and manufacturing uses. The public-use area northwest of Normandy Boulevard encompasses the Jacksonville Equestrian Center and Cecil Recreation Complex. Additionally, a small number of heavy industrial land uses border the Commerce Center. In addition to land use, the nearby political jurisdictions also implement zoning regulations, which provide the legal controls to the types of developments within each land use category. Additionally, zoning regulations also include items related to airports, mainly concerning height, noise, and safety standards.

Appendix C

Airport Development Funding

Funding for airport development comes from several primary sources:

1. Federal Grant Programs
2. Passenger Facility Charges (PFC's)
3. State and local funding
4. Tax-exempt bonds
5. Airport revenue
6. Private investment

Airports typically use different combinations of these sources depending on the airport's financial situation and the type of project being considered. Small airports depend more on FAA Airport Improvement Program (AIP) grants than large- or medium-hub airports. The larger airports, whose projects tend to be much more costly, are more likely to finance projects through bonding. Airport development bonds are usually repaid through PFC's or other airport revenues. The Authority primarily uses FAA AIP grants, Florida Department of Transportation grants and JAA airport revenues for capital development projects.

Federal Grant Programs

Funds obligated for the FAA's AIP are drawn from the Airport and Airway Trust Funds, which are supported by taxes and fees placed on aviation products such as airline tickets, fuel and cargo, and international departure fees. The AIP is authorized by Congress under general guiding principles discussed in the FAA's Airports Capital Improvement Plan (ACIP) and its National Plan of Integrated Airport Systems (NPIAS). The highest aviation priority of the United States is the safe and secure operation of the airport and airway system. Eligible projects for AIP grants may also include planning, development, or noise compatibility projects associated with public-use airports.

The FAA fiscal year starts on October 1 and ends on September 30. Congress approves the FAA appropriation funding level for each fiscal year. Afterward, the Office of Management and Budget issues the FAA its funding allotments and FAA headquarters works through a formula that considers set-asides—such as entitlement funds for state apportionments and airports, and specified discretionary funding for noise projects—and distributes to each FAA region its allotment based on information submitted with the region's ACIP. An airport must be identified within the NPIAS to receive consideration. FAA AIP discretionary funds are available to any airport identified within the NPIAS. After the entitlements and set-asides are funded, the remaining money can be invested at the FAA's discretion. Under the Military Airport Program (MAP), the FAA selects 15 current or former military airports to share in the set-aside, which is equal to 4% of the discretionary funding level. The purpose of the MAP is to increase overall system capacity by promoting joint civilian–military use of military airports or by converting former military airports to civilian use.

State of Florida Grant Programs

The State of Florida's Aviation Grant Program is designed to provide a safe, cost-effective, and efficient statewide aviation system. Grant funds help airports build and maintain runways and taxiways, eliminate airport hazards, protect air space, and build terminals and other facilities.

Florida law allows the FDOT to fund any capital project on airport property and any services that lead to capital projects, such as planning and design services. The only off-airport projects allowed are purchase of mitigation land, noise mitigation, purchase of aviation easements, and access projects for intercontinental airports.

To be eligible for Department grants, each airport project must be consistent with the airports role as defined in the Florida Aviation System Plan, and capital projects must be part of the Department's approved airport master plan/layout. The Department's aviation grant programs include:

- Airport Planning
- Airport Improvement
- Land Acquisition
- Airport Economic Development

Airport Planning: Airport Planning Grants are issued to study options for airport development and operations. The FDOT funds airport master plans, airport layout plans (ALP), noise and environmental studies, economical impact, services development, and airport promotion.

Airport Improvement Funding: State grants are issued to provide capital facilities and equipment for airports such as runways, taxiways, aprons, T-hangars, fuel farms, maintenance hangars, lighting, control towers, instrument approach aids, automatic weather observation stations, terminal buildings, parking lots and structures, road and other access projects, safety equipment (including AARF fire fighting equipment, tree clearing, land contouring on overrun areas, removing, lowering, moving, and marking, lighting hazards, information technology equipment, and drainage improvements).

Land Acquisition: This grant program protects Florida's citizens from airport noise and protects airport clear zones and runway approach areas from encroachment. Projects may include land acquisition (for land in an approved master plan or ALP), mitigation land (on or off airport), aviation easements, rights of way, and approach clear zones.

Airport Economic Development: This grant program is designed to encourage development of airport revenue sources. Examples of projects are airport improvements and land purchases that will enhance economic impact, buildings for lease, industrial park infrastructure and buildings, general aviation terminals to lease out, and industrial

park marketing programs. FDOT provides up to 50 percent of airport economic development funds to build on-airport revenue-producing capital improvements.

JAA Capital Investment in Cecil Field

Since acquiring ownership of the airport at Cecil Field the JAA has invested over \$90 million in facility construction, renovation and rehabilitation projects as outlined in the following table. Approximately \$50 million of the \$90 million was obtained via grants from the FAA, the State of Florida and the U.S. Department of Commerce.

CECIL FIELD

Capital Investment 1999 - 2009

Air Traffic Control Tower	\$400,000
Airfield Drainage	3,200,000
Airfield Electrical / Airfield Signage / Airfield Lighting	8,800,000
Building Renovations	4,000,000
Building Demolition	400,000
Fire Suppression Systems	2,700,000
New Hangar Construction	20,000,000
Hangar Renovations	15,000,000
Navigational Aids	1,400,000
New Taxiways / Aprons	3,700,000
Planning (Feasibility Study, Airport Master Plans, Site Development Plans, Environmental / Stormwater Plans)	4,900,000
Roadways and Parking Lots	2,100,000
Roof Replacements	5,500,000
Runway Rehabilitation	14,400,000
Taxiway and Apron Construction	3,700,000
Terminal Building Renovations	2,800,000
Security Fencing	500,000
Utility System Upgrades	90,000
TOTAL 1999 - 2009	\$93,590,000

Looking to the future, the JAA estimates that approximately \$26 million will need to be invested at Cecil Field to keep existing buildings, hangars, runways, taxiways and other airport infrastructure maintained over the next ten years. This total does not include funding for new development projects. New projects will be planned and developed after a thorough analysis of funding sources that may be available and the return on investment of any JAA funds that may be applied to a development project. As in years past, the JAA will pursue all available grants from the Federal and state governments in order to offset the overall cost to the JAA. The following table outlines the types of projects and cost estimates for projects that have been identified as necessary to maintain the airport over the next 10 year planning horizon.

CECIL FIELD

Capital Investment 2010-2020

Airfield Drainage	\$6,000,000
Apron Rehabilitation	1,500,000
Building Renovations	400,000
Building Demolition	60,000
Fire Suppression Systems	600,000
Hangar Renovations	2,300,000
HVAC Replacements	1,300,000
Planning (Airport Master Plans, Environmental / Stormwater Plans)	800,000
Roadways and Parking Lots	230,000
Roof Replacements	3,600,000
Runway Rehabilitation	5,500,000
Security Fencing	500,000
Taxiway Rehabilitation	3,100,000
TOTAL 1999 - 2009	\$25,890,000

Appendix D

Aviation and Aerospace Market Summary Analysis

The following market summary analysis has been arranged into five major areas: maintenance, repair and overhaul (MRO); air cargo; general aviation; business aviation; and aircraft manufacturing and assembly. The summary was compiled primarily from information contained in industry publications, specifically Aviation Week and Space Technology's annual industry analysis and forecast published in January 2010. The MRO section highlights and is subdivided into commercial/civil and military/governmental programs. Due to the number of Department of Defense aircraft manufacturing and assembly programs that are currently underway and planned for the future, that section is broken down into sections that cover fighter aircraft, transport aircraft, helicopters, and unmanned aerial vehicles.

MAINTENANCE, REPAIR AND OVERHAUL (MRO) – GENERAL TRENDS

- Revenue from the maintenance, repair and overhaul market may be flat for the next year or so as the aerospace and defense industry recovers from the recession, but dynamic supply chain and productivity improvements will reshape the aviation aftermarket.
- MRO industry efficiencies are paramount as aviation maintenance and engineering service providers deal with lower aircraft utilization on the commercial aviation side and decreased budgets, but increased logistics and sustainment needs, on the military side.

MRO CIVIL

- The civil aviation MRO market place has seen a number of important trends in recent years, which have wide ranging implications for the aviation industry. Cost reduction innovations include: continued consolidation and a drive towards outsourcing.
- In order to maintain a market lead, companies are turning to reducing costs and streamlining operations to ensure maximum efficiency and reduced down time, while maintaining safety and reliability.
- The critical issues that are impacting upon MRO today and into the future include: outsourcing, consolidation, cost pressure solutions and establishing MRO networks, third party service provision, new platform challenges, legal issues and effective management of the repair cycle.
- 2009 was a hard year for aviation MRO providers and parts suppliers including capacity cuts, cost controls, and airlines trying to maximize return for their investment by holding on to their aging aircrafts longer than they might normally. The results are lower revenues and falling backlogs.
- With traffic now picking up, there are increasing positive signs for the MRO industry in 2010 and beyond. Some airlines are returning older aircraft into service, which helps the outlook for the MRO sector. However, the outlook for growth remains weak, and much depends on the recovery in passenger traffic, which is heavily dependent on the global economy.

- The civil aviation MRO market is expected to dip 4-6% in 2010. It will be most noticeable for service related to the oldest fleet types.
- The long term MRO market outlook is still positive with a 4.1% compound annual growth rate predicted through 2019.
- North America is still the largest market segment, with 35% of the market, but in 10 years, western and Eastern Europe will eclipse it by representing \$20.6 billion, compared to \$18.9 billion for North America.
- Latin America and the Middle East include emerging aftermarket service clusters in Brazil, Mexico and the United Arab Emirates.
- MRO market will be valued at about \$53 billion by 2018, with the highest compound annual growth rate coming from India (8.5%), China (7.6%) and the Middle East (6.5%).
- Because there is more partnering and outsourcing, MROs depend on suppliers around the world, so supply chain visibility will be necessary.
- The ability to partner and do business with airlines and other MRO's is increasingly becoming essential to a successful MRO operation.

MRO MILITARY

- Issues for several Western countries include aging aircraft and constrained sustainment budgets.
- Operators of older aircraft are examining aftermarket, original equipment manufacturers (OEM) and in-house military service options. A common problem for out-of-production aircraft is finding parts, which means militaries need to locate new suppliers or launch their own parts production.
- The U.S. military is grappling with decreased budgets and a much different operational reality than in the Cold War.
- Budgets are shrinking, but predictions indicate that global military MRO spending will be \$67.5 billion by 2018, which is \$6.4 billion higher than in 2009.
- All services are spending significant resources overhauling and modifying helicopters due to the severe operating environments and high levels of operation being experienced in regional conflicts.

AIR CARGO

- Freighters have traditionally carried about 50% of global airfreight tonnage, while the remaining air cargo has been carried in the lower-deck compartments of passenger aircraft. The fact that cargo traffic dropped more than passenger volume did during the 2008-09 recession caused a temporary shift toward a higher percentage of cargo moving in passenger aircraft bellies. On the other hand, tighter security requirements that in the U.S. will mandate 100% screening of cargo carried on passenger flights by August 2010, may lead to a greater reliance on freighters.
- Entering 2010, global air cargo traffic is down roughly 20% from the 2007 level. If it returns to its historic 6% annual rate this year and maintains that average over the next four years, the

market in 2013 will have reached roughly the same level that existed in 2007, which represented a peak year for the market.

- Demand for airfreight capacity has grown historically at about twice the rate of worldwide growth of gross domestic product. Eventually, airfreight growth must come down relative to GDP growth, but when and by how much cannot be predicted with any certainty.
- Airfreight has historically been a growth industry, yet traffic levels, which had been moderately positive in the first half of 2008, went into free fall in the fourth quarter of 2008.
- The global airfreight industry has lost nearly a decade's worth of growth in the last year and a half due to a period of unprecedented turmoil that began late in 2008 and continued throughout 2009.
- The root of the air cargo problem is centered on a significant imbalance in supply and demand. The supply of capacity in freighter aircraft and in the belly compartments of passenger aircraft has not undergone a contraction as pronounced as that for cargo shipments.
- There are numerous positive developments regarding freighter equipment including the introduction of new production freighters and positive developments in the freighter conversion field. In the aggregate, customers have a wider choice in the freighter market today than ever before.

GENERAL AVIATION (GA)

- The current global economic weakness will continue to hurt demand for GA aircraft in North America and Europe. Overall, demand from emerging foreign markets will not be enough to replace lost orders from customers in the U.S., Canada and Europe.
- Piston and turboprop-powered GA aircraft manufacturers are poised to turn out approximately 22,000 aircraft worth \$25 billion over the next 10 years.
- After 2013 stronger economic growth is expected to push aircraft output sharply higher.
- Turboprops will account for far more of the "value" of production due to the much higher cost of turbojet aircraft. The forecast value of the new turboprop market segment will top \$17 billion versus roughly \$8 billion for the piston segment.
- The high cost of flying acts as an obstacle to expanding the pilot pool and therefore limits the size of the pool of potential aircraft buyers.
- The North American and European markets will continue to demand new piston aircraft to replace older models, but the number of GA aircraft in use will remain stable.
- Opening new markets beyond the U.S. and Europe offers the greatest hope for boosting GA aircraft sales during the next 10 years, but growth in China, India, Russia and other nations will be hampered by government hostility toward the development of private aviation and lack of infrastructure.

BUSINESS / CORPORATE AVIATION

- An improvement in overall business jet production and delivery rates remains a few years away. Business jet production will be lower in 2010 than in 2009, and probably even lower in 2011. Annual production should begin to turn upward in 2012, setting the stage for a gradual

but potentially long-lasting market recovery. Annual deliveries may not reach the 2008 level of slightly more than 1,300 business jets until at least 2015.

- Due to economic weakness in key geographic regions, the business jet market was already heading into a cyclical downturn when the U.S. financial markets collapsed in the fall of 2008. Demand for new business jets soon dried up, customers started to defer scheduled deliveries, and cancellations began reducing once-robust backlogs.
- Declining order intake along with rising cancellations and deferrals have caused business jet manufacturers to slash production rates and employment rolls to protect shrinking order backlogs and navigate through a severe market slump.
- By the end of 2009 signs of economic stabilization and even recovery started to appear. Corporate profitability, a key leading indicator of business jet demand, is slowly beginning to improve. Business aircraft utilization is rising, and the used jet market is stabilizing.
- Economic improvement is expected to continue to be slow and market saturation is a problem in the business jet segment. There is too much capacity in existing fleets, especially in North America. Prior to the market collapse large numbers of business jets were delivered to customers who have no immediate plans to purchase more new aircraft.
- The recent economic difficulties have caused a backlash against the use of corporate jets. The revival of the image of business aircraft as unnecessary luxury items has led, at many corporations, to increased internal and external scrutiny of executive use of company aircraft.
- Business jet manufacturers are displaying considerable confidence about the future of the industry. Many are looking beyond the present downturn by developing new business jets targeted for service entry in the 2012-14 period.

AIRCRAFT MANUFACTURING and ASSEMBLY - CIVIL

- Business aircraft manufacturers suffered badly in 2009 cutting production rates and employment totals by up to 50%.
- Passenger and cargo traffic have declined due to recent global recession which lead to dramatic decrease of commercial aircraft orders. Boeing has reported a 61% drop in commercial aircraft orders for 2009.
- 2009 was a record year for airplane production due to years-long backlogs sustaining deliveries through the year.
- Airbus and Embraer both announced record deliveries for 2009 but their order backlogs have also decreased as carriers have cut orders, put off options and deferred deliveries.
- Airbus and Boeing expect a demand slump to continue for at least two more years as airlines pare growth following a record drop in air travel.
- Airlines are engaging in a variety of tactics, including capacity control, cost reductions, consolidation activity, and various adjustments to their business models.
- Big airline alliances could have a significant impact on the commercial market due to concentrated buying power.
- Airbus and Boeing appear to be in no hurry to launch all-new narrow-bodies, particularly when they are still able to build hundreds of their current single-aisle models each year.

- Bombardier's launch of its new C-Series family of 100-145-seat airliners can put some pressure on Airbus and Boeing in the narrow-body market. Airbus and Boeing could choose to size their narrow-body aircraft at 150 seats and up, leaving the 100-149 seat market to Bombardier and Embraer along with other narrow body aircraft under development in China and Russia.
- The immediate challenge for Airbus and Boeing is to manage their shrinking, but still robust order backlogs by adjusting build rates in order to better reflect market demand. Both companies have new aircraft in the development pipeline that are slated to enter service within the next several years.
- ATR and Bombardier are major players in the regional turboprop market with market demand being revived considerably in the past few years, primarily driven by high fuel prices and a need for carriers to reduce operating costs.
- Moderating fuel prices and slowing air traffic in the second half of 2008 did blunt some of the momentum in the turboprop market. However, fuel costs are rising again, and turboprop sales should pick up once air travel demand improves.
- Demand for civil rotorcraft will likely slacken, depending on the economic rebound, backlog and fuel prices. After 2012 deliveries are predicted to begin climbing as stronger conditions lead to increased demand.
- Based on a strong demand from the oil services sector, manufactures are forecast to produce 653 medium/heavy commercial rotary-wing aircraft in the next decade.

AIRCRAFT MANUFACTURING ASSEMBLY - GOVERNMENTAL

FIGHTER AIRCRAFT

- The F-35 Joint Strike Fighter is expected to dominate the global fighter market in the coming years.
- During the past decade, world fighter production totaled only around 2,500 units, but over the next 10 years, annual deliveries are set to rise.
- In terms of engine production, GE and Pratt already dominate the fighter market. Both companies split the ongoing F-15 and F-16 market fairly evenly, but emphasis is shifting to the F-35, which will be a big part of the U.S. fleet for the next 30 or more years.
- The Air Force is relying on the F-35 to give it the quantity of fighters needed to rejuvenate its aging fleet of F-16s, A-10s and even F-15s. Lockheed Martin is now developing the F-35 under a \$19-billion system development and demonstration contract.
- The F-35 program also has an important international component. Unlike the F-22, which Congress has prohibited for export, the F-35 was designed with an eye to international customers. The program includes a partnership arrangement through which allies participate at one of three levels, depending on the amount of money each country contributes to the development phase.
- The F-35's progress will have a big impact on the shape of the modern fighter market. The nine partner nations involved in the development program represent a substantial portion of the traditional demand for Western-made fighters.

TRANSPORT AIRCRAFT

- Established and developing military transport programs should see steady demand in the next 10 years.
- Manufacturers of military transports are forecast to deliver more than 900 new aircraft worth \$74 billion over the next decade.
- The military transport market can be roughly split into three segments: heavy, medium and light. Two sub-segments exist within the heavy segment market: strategic transports such as the Boeing C-17 and tactical transports like the Lockheed Martin C-130.
- Lockheed Martin plans to increase production of the C-130J to 27 this year from 16 in 2009. The Airbus A400M is designed to occupy a middle ground, handling both intra- and inter-theater transport missions. First deliveries of the Airbus Military A400M are now expected in 2012.
- The heavy transport segment also includes aircraft in development but expected to be delivered in the decade: the Antonov An-70, Embraer KC-390, and Kawasaki C-X.
- The medium military transport market is largely owned by Alenia and EADS. Production of medium transports, such as the Alenia Aeronautica's C-27J and EADS CASA CN-235 and C-295, is projected to total more than 300 aircraft over the next decade and to be worth more than \$9 billion. The U.S. military is acquiring C-27Js under the Joint Cargo Aircraft program, but changes to the program last year will result in fewer deliveries than expected.
- Production of light military transports is forecast to add up to only about 90 units over the next decade. These aircraft have a lower cost than larger transports, so the value of production of this segment will account for less than 1% of the total market.

HELICOPTERS

- Robust procurement by the U.S. armed forces is a key factor spurring growth in helicopter production. The U.S. military has preferred to acquire improved versions of helicopters already in its fleet rather than pursue the costly and often lengthy development of all-new rotocraft.
- The Army has long-term plans for two new-start programs – the Joint Heavy Lift and Joint Multi-role rotocraft.
- The Army is procuring 452 CH-47 F Chinook transport helicopters comprising a mix of new-build and rebuilt helicopters.
- Total planned V-22 tilt-rotor buys amount to 360 for the Marine Corps, 50 for the Air Force, and 48 for the Navy.
- Bell is building 123 UH-1Y transport helicopters and 226 AH-1Z attack helicopters for the Marines and Sikorsky is developing a new version of the CH-53 heavy lift helicopter with the Marine Corps expected to procure more than 200.
- Sikorsky is slated to produce 1,227 UH-60 M's for the Army and 271 MH-60Ss and 252 MH-60Rs for the Navy

UNMANNED AERIAL VEHICLES

- The unmanned aerial vehicle market has seen a remarkable transformation during the last eight years. The sector has advanced to the point where unmanned aircraft have opened up a range of possibilities for use by the U.S. and international militaries.
- During the next 10 years, the production value of UAV's will be \$17.9 billion, with more than 9,000 units being fabricated. A further \$20.9 billion will go toward research and development.
- The U.S. government will outspend the rest of the world on UAV programs, with most Pentagon contracts going to companies such as Northrop Grumman and General Atomics.
- There is considerable demand for UAVs in Europe. Spain, the Netherlands, Italy, Poland, Finland, Sweden and Greece all plan to place new UAV production orders over the next 10 years.
- The civilian UAV market remains limited as flying UAVs outside of controlled military airspace is a problem. Despite increasing interest in UAVs, the overall market is still in infancy.

Appendix E

Cecil Field Strengths and Weaknesses

The below list of strengths and weaknesses was developed during the February 26th Strategic Planning Session. The specific items listed below were evaluated and considered as the strategic plan was developed.

CECIL FIELD	
STRENGTHS	WEAKNESSES
<ul style="list-style-type: none"> • Long Runway • Available on airport land area could support a variety of major aviation and approved non-aviation businesses and Space Port License • Infrastructure exists for high-performance aircraft • Airport land size buffers noise exposure to surrounding neighborhoods • Excellent roadway access for outbound logistics including Interstates I-10, I-295, I-75 and I-95 • Close proximity to major regional railway networks, including CSX, Norfolk Southern, Florida East Coast Railway • Easily accessible deepwater seaports in Jacksonville • Availability of skilled, productive workforce for aircraft/space industry • High number of trained and skilled military personnel leaving the service that stay in the First Coast • Excellent aerospace educational courses and facilities nearby including Florida State College at Jacksonville, Aviation Center of Excellence • Long term lease availability • Right-to-work state • Excellent flying climate, suitable for year round use • Non congested area • Plans for outer beltway • Business friendly tax climate • Lowest cost of living of any major Florida metro area • Strong consolidated local government • Involvement of local leadership with willingness to work together • Good airport/community relations through the Cecil Field Advisory Committee • Cooperative local and state business development environment 	<p>General:</p> <ul style="list-style-type: none"> • Large number of similar closed military bases nationally • Not located in the city's most predominant growth corridor • Existing and unknown environmental contamination can have adverse land use impacts • Some type of aircraft operations have significant noise impacts on the surrounding neighborhoods • Lack of public awareness of the airport and its economic development possibilities • Unrealistic public expectations <p>Financial Development:</p> <ul style="list-style-type: none"> • Shortage of capital funding for needed major costly infrastructure upgrades and improvements • Shortage of ready to build sites • Probable low return on investment for new hangar construction • Lack of amenities (food and lodging) • Diminishing federal government budget • Difficulty predicting funding changes in military procurement programs • Lack of availability of state and local funds to provide business relocation and development grants and incentives • Recent national economic downturn <p>Political Support:</p> <ul style="list-style-type: none"> • Competition by different counties and cities in Florida for the same projects minimizes much needed state and national financial and political support • Leadership instability • Delegation in Washington many times does not speak with one unified supportive voice for projects that may require significant and direct congressional support • Lack of solidarity at the local level in moving forward with proposals, offers and incentives • The state-mandated growth management and environmental permitting process hampers the appeal of Florida to businesses <p>Industry and Community Alliances:</p> <ul style="list-style-type: none"> • Lack of definite long-term coordinated region-wide economic action plan that contains specific roles, responsibilities and time lines • General lack of collaborative, cooperative, proactive approach to economic development • Competitive abundance of other permitted and entitled industrial sites in Northeast Florida