BUSINESS INFORMATION MEETING







Phoenix Airport System Mission:

 We welcome the world to Phoenix through ambitious, sustainable airports that everyone loves.

Airport Business Development Goal:

 To provide revenue opportunities for DVT to focus on self sufficiency in both operational and developmental cost recovery.



Success For Today's Meeting



- Present overview of DVT airport profile and share information on the upcoming Fixed Based Operator (FBO) opportunity.
- Open exchange ideas about implementation of a successful FBO



DVT AIRPORT OVERVIEW

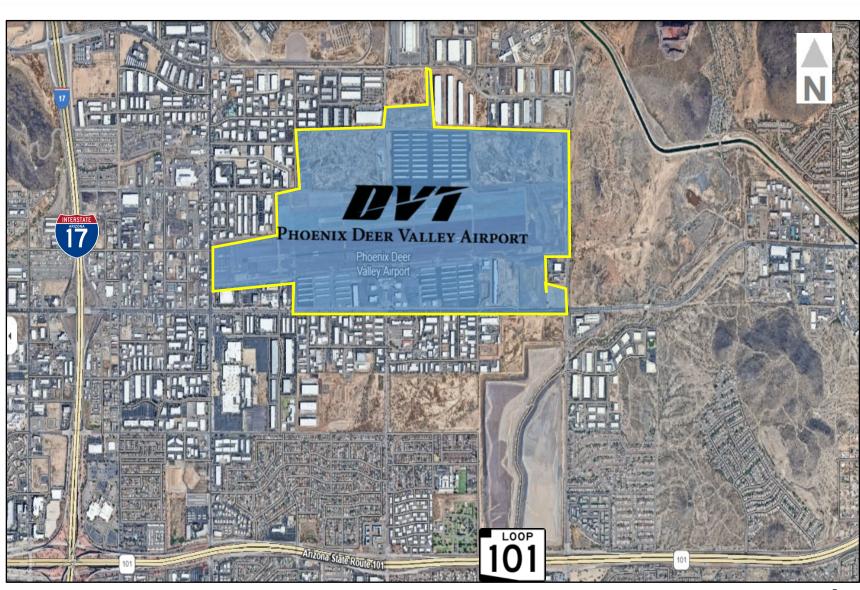




DVT Airport Profile



- 1,100 Based Aircraft
- 914 Acres
- 2 Runways
 - 8,200 ft 7R 25L
 - 4,500 ft 25 R 7L
- FAA Tower:
 - Daliy Hours: 6AM-12AM
- Major Freeways Access:
 - Interstate 17
 - State Route 101







Flight TrainingAeroGuard

Aero Guard FLIGHT TRAINING CENTER

Fixed Based Operator
 Cutter Aviation DVT





DVT Tenant Profile



Government Tenants:







Commercial:



Maintenance and Repair Service:



Terminal Restaurant:



Self Fueling Station:

(AV Gas Only)



Business & Corporate Campuses Near DVT

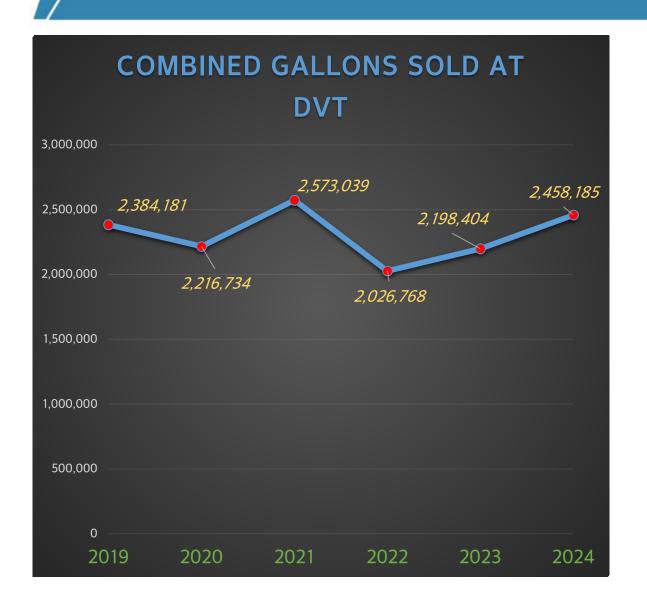




- Neighboring Business & Corporate Offices:
 - o USAA
 - o TSMC
 - Amazon
 - FedEx
 - Northwest Industrial Airpark*
 - Dillon Aero
 - SIHI Developers

Fuel Gallons – DVT





- CY 2020
 - Decrease due to COVID
- CY 2021
 - Increase in GA flights activity due to limited Commercial Air Service flights
- CY 2022
 - Decrease due to Westwind Flight Training relocation to GYR Airport
- CY 2023 FY2024
 - Return of GA Flight activity amid to return of Commercial Air Service flight activity

DVT Airport Development Plan





Land Use Plan Update

Project Summary June 2023

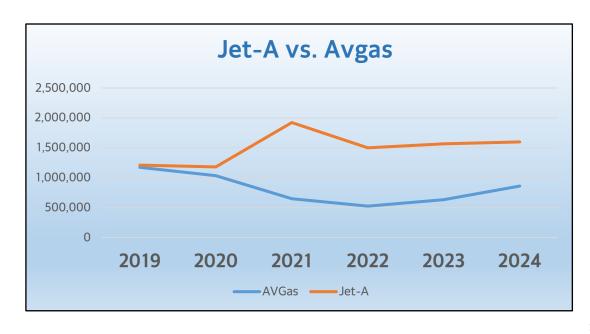


DVT Land Use Plan Update:

PowerPoint Presentation



- In 2024, DVT reported more than 432,000 annual operations.
- DVT is one of the busiest general aviation airports in the United States.
- No other airports serve north Phoenix and the northwest Valley.



Upcoming Revenue Contract Solicitation

- FBO Site Development Opportunity
- Business Terms
- Sustainability Requirement
- Helpful Hints
- Timelines





FBO Development Opportunity



 Goal: To develop, build, operate, and manage a full-service FBO facility





- Per DVT FBO Minimum Standards, the FBO must offer:
 - Aircraft Fueling
 - Passenger, Crew, and Aircraft Ground Services
 - Aircraft Maintenance
 - Aircraft Storage
 - Aircraft Flight Training



FBO Development Opportunity



- Proposed Site: Total of 20-acres
 - Minimum 9 acres must be a FBO facility
- FBO Development must include:
 - Fuel Farm
 - Hangars
 - o Ramp
 - Connectors
 - Parking



FBO Site Development Requirements



- Premises
 - As-Is condition
- Utilities
 - Water, Sewer, Electrical
 - Communication Service
- Taxilane Access from site to Taxiway D
 - Connector
 - Vehicle Access Road



FBO Site Development Requirements



- Construction governed by Aviation Department and City of Phoenix permitting authorities, including:
 - Compliance with Aviation Tenant Improvement process and all applicable laws and regulations
- Environmental Compliance
 - Phase I Environmental Site Assessment (ESA) complete
- Portions of the land not developed as part of the FBO may be developed as:
 - Maintenance, Repair, and Overhaul
 - Aircraft Final Assembly
 - Other aeronautical uses approved by Aviation Director.

Business Terms



Contract Term between 30 to 40 years:

- A. <u>30-year Term</u>: based on developing only the minimum 9-acres for FBO facility and required supporting facilities
- B. <u>40-year Term</u>: based on developing the entire 20-acre parcel including 9 acres for FBO facility and required supporting facilities.
 - Development can be accomplished in one to two phases of construction
 - 24-month Development Period per construction phase
 - Construction Phase One must include 9-acre FBO facility and required supporting facilities
 - Remaining portion of the parcel must be developed within 48 months of the Ground Lease Effective Date
 - Any portion of the parcel not under development after 48 months reverts back to the City

Business Terms



Ground Rent Rate:

- A. Portion of parcel developed for FBO facility
 - → Ground Rent Rate of \$0.65 per square foot
- B. Portion of the parcel developed for other aeronautical uses*:
 - → Right to Develop can be secured by paying 15% of the Primary Term Net Rent, or \$0.0825 per square foot
 - → Ground Rent abated during Construction Period for up to 24 months
 - → Ground Rent after construction will commence at rate of \$0.55 per square foot

* Other aeronautical uses subject to approval by Aviation Director

Business Terms



Other fees payable to Aviation Department:

- Fuel Flowage Fee
 - current rate of \$0.14 per gallon
- Minimum Standards Fees for applicable Specialized Aviation Service Operators (SASOs)
 - applicable fees based on type of SASO services

Financial Return to the City





Triple Net Rent to the City



Net Rent Adjustment

Annual CPI or 3% Fixed



Market Rate Analysis

Every 10th year



Fuel Flowage Fees



SASO Minimum Standard Fees

FBO Solicitation Details



⇒ Evaluation Criteria

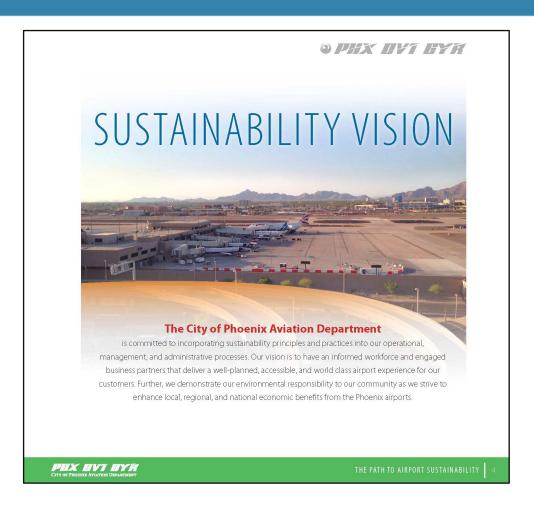


- \$ Proposed Capital Investment Plan
- Operations and Management Plan
- ♣ Proposed Design Concept of the FBO and Additional Aeronautical Facilities
- Method of Approach to Design, Build, and Operation of a Full Service FBO and Other Aeronautical Facilities
- Experience and Qualifications of Respondent and Its Partners

Sustainability Solicitation Requirement



- Aviation Department desires a development that prioritizes sustainability in its design and operations.
- Proposers are to commit to align their Sustainability Program with the Aviation Department's Sustainability Focus Areas by addressing in their Sustainability Program the seven key focus areas of:
 - 1) Air & Climate
 - 2) Business Practices
 - 3) Community,
 - 4) Energy,
 - 5) Land Stewardship
 - 6) Waste & Recycling
 - 7) Water



Aviation Department Sustainability Focus Document is available at skyharbor.com/about/Sustainability)

Helpful Hints about the Solicitation Process



Read

Attend

Addenda

Proposal Response

Entire solicitation document including the Ground Lease Agreement and exhibits.

Pre-Response meeting

Monitor questions & submittal deadline

Review all Addenda and all Questions & Answsers (Q&As) for changes and new information to the solicitation Your Proposal must be Responsive and in City-approved submittal format

- * On-Time Submission
- * Page-Limitation
- * Organize information by Tabs, etc.

Timeline



Solicitation Issue Date: Summer 2025

Pre-Response Meeting & Optional Site Tour: Fall 2025

Proposal Due Date: TBD 2025*

Phoenix City Council Award: TBD 2026*

* Final dates will be posted in Solicitation.

All Solicitation dates are subject to change.

RESOURCES

Aviation Outreach Events:



Aviation Business Website:



Useful Tips:





Have More Questions? Contact Us

busopps.aviation@phoenix.gov



