

Resolution adopting an updated Air Service Incentive Plan for qualified airlines to serve the Corpus Christi International Airport; and authorizing the City Manager to execute all documents necessary to offer and secure such incentives as are deemed desirable.

WHEREAS, the City of Corpus Christi ("City"), as the sponsor of the Corpus Christi International Airport ("Airport" or "CRP"), owns and operates the facility located in Corpus Christi, Texas;

WHEREAS, the City authorizes CRP to "exercise such powers as may be required or consistent with the promotion of aeronautics and the furtherance of commerce and navigation by air";

WHEREAS, the City supports the growth of air service at CRP because increased passenger activity results in increased revenues and because additional air service and enhanced competition serves the interests of the residents of Corpus Christi and the greater Coastal Bend Metropolitan area;

WHEREAS, federal law (49 U.S.C. § 47107(a)(1)) and the City's contractual commitments to the federal government require that the City "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"; and

WHEREAS, the Federal Aviation Administration ("FAA") recognizes the right of airport sponsors to support new and expanded air service through marketing and operational incentives during a promotional period, subject to compliance with specific requirements set forth in FAA policy.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF CORPUS CHRISTI, TEXAS:

SECTION 1. The City Council finds that the foregoing preamble and recitals language stated in this resolution to be true and correct and adopts such language and findings for all intents and purposes related to establishing and adopting the Air Service Incentive Plan that is the subject of this resolution. A copy of the Air Service Incentive Plan will be placed on file with the City Secretary's Office.

SECTION 2. The City Manager is authorized to execute all documents necessary to offer and secure such air service incentives as are deemed desirable as expressly outlined in the adopted Air Service Incentive Plan.

SECTION 1. The following delegations shall apply to the implementation and administration of the Air Service Incentive Plan:

- a. The Airport Director ("Director") is delegated with the responsibility to implement and administer the Air Service Incentive Plan.

- b. The Director's authority to negotiate and execute air service incentive agreements shall be in accordance with the most current version of the City's Delegation of Signature Authority.
 - c. The Director shall provide quarterly reports to the City on the incentives granted since the last report and the total incentives then outstanding.
 - d. The Director shall coordinate with and provide technical assistance to the Corpus Christi Air Service Development Task Force.
2. This resolution supersedes any prior air service incentive program for CRP approved by the City; provided, however, that nothing herein shall be construed to affect the terms and conditions of any marketing incentive agreement or operational incentive agreement presently in effect between the Corpus Christi Air Service Development Task Force and an air carrier.
3. This resolution shall be perpetual. The Director is hereby granted the authority to amend the Air Service Incentive Program. It is the intent of the City that the Air Service Incentive Program shall be reviewed and updated annually.

PASSED and APPROVED on the _____ day of _____, 2025.

ATTEST:

Paulette Guajardo, Mayor

Rebecca Huerta, City Secretary

Corpus Christi International Airport Air Service Incentive Program

Incentive Categories

The below table identifies the categories of available incentives, basic eligibility requirements, and the associated operational and marketing incentives for any passenger air carrier. This table is to be implemented and interpreted according to the terms and conditions that follow.

Category	Eligibility	Operational Incentive	Marketing Incentive
I – New Year-Round Service	Establishment of new year-round nonstop service to an unserved destination	100% landing fee waiver for 24 months 100% waiver of common-use fees for 24 months	Up to \$125,000 per year for up to two years (to be used within 24 months)
II – New Seasonal Service	Establishment of seasonal nonstop service to an unserved destination	100% landing fee waiver for up to three seasons 100% waiver of common-use fees for up to three seasons	\$25,000 per season for up to three seasons (to be used within 36 months)
III – Significant Increase in Seat Capacity	Increase in seat capacity on a specific route by 50% or more without loss of frequency	Waiver of landing fees for increased capacity for 12 months	No marketing incentive
IV – New Entrant Bonus	Any new entrant passenger air carrier establishing year-round or seasonal nonstop service	If year-round service, 100% waiver of all common-use fees and preferential rents for first 24 months to an unserved destination If year-round service, 100% waiver of all common-use fees and preferential rents for first 12 months to a currently served destination If seasonal, 50% waiver of all common-use fees and preferential rents for up to three seasons.	No additional marketing incentive

Definitions and General Requirements

1. For metropolitan areas with multiple airports, each airport will be considered as a separate destination. For example, Washington Dulles International Airport could be considered an unserved destination notwithstanding existing service to Washington Reagan National Airport.
2. To be considered new service to an unserved destination (year-round or seasonal), no other carrier must offer scheduled service to the airport as of the date that the air carrier seeking the incentive plans to initiate service.
3. To qualify under Category I, Category II, or Category IV, service must be offered at least one day per week.
4. Seasonal service is nonstop service offered for less than seven months of the calendar year but at least 6 consecutive weeks. There may be more than one season per calendar year (e.g., winter and summer); however, there may be no less than one season per calendar year.
5. Year-round service is nonstop service offered for seven or more months in a 12-month period.
6. A new entrant is an air carrier that has not offered commercial passenger service to or from CRP within the preceding 12 months prior to the date that the air carrier plans to initiate service.
7. The new entrant bonus may be combined with Category I and Category II incentives.
8. Considering budget constraints, Category I and Category II incentives only will be available to the first air carrier requesting an incentive to initiate service to the unserved destination.
9. The waiver of landing fees only applies to the landing fees associated with the incentivized flights.
10. The waiver of common-use fees only applies to the fees due in connection with the incentivized flights, calculated on the basis of enplanements on the incentivized flights. Applicable fees include common-use gates, security, baggage claim, and remain over-night (RON) fees.
11. "Preferential Gate" shall mean a gate designated by the Airport Operator for use by an Airline that operates a minimum of four (4) scheduled flights per day, on at least four (4) days of a given week.
12. An air carrier will not be eligible for Category III (significant increase in seat capacity) if the carrier already is receiving an incentive for the flight under Category I or Category II.
13. To qualify under Category III, the air carrier must request the incentive prior to initiating the increase in service. The incentive will not be made available retroactively.

Other Terms and Conditions

1. Participation in this program requires an incentive agreement between the City of Corpus Christi and an air carrier, using the City's standard form agreement.
2. An air carrier may qualify for an incentive whether the air carrier operates as a signatory or non-signatory at CRP, provided that the air carrier otherwise satisfies the eligibility and qualification requirements of this incentive program.
3. To qualify for incentives, a carrier must be current on payments of rates and charges.
4. Air carriers must operate service throughout duration of the promotional period at the level specified to receive the incentive.
5. Air carriers must use the passenger terminal at CRP in order to qualify for incentives.
6. An air carrier may qualify for an incentive regardless of the type of economic and safety certificates it has sought and received from the U.S. Department of Transportation and FAA, including authorities granted under 14 C.F.R. Parts 119, 121 and Part 135, provided that the air carrier otherwise satisfies the eligibility and qualification requirements of this incentive program.
7. An air carrier may only qualify for an incentive for a particular route one time.
8. Incentives may not be transferred from one carrier to another. Incentives cannot be transferred between routes.