



AGENDA MEMORANDUM

First Reading Ordinance for the City Council Meeting September 3, 2024
Second Reading Ordinance for the City Council Meeting September 10, 2024

DATE: August 27, 2024
TO: Peter Zanoni, City Manager
FROM: Kevin Smith, Director of Aviation
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Amending Chapter 9 of the City Code of Ordinances

CAPTION:

Ordinance amending the Code of Ordinances, Chapter 9, Aviation, Section 9-35 - Parking Rates, by revising the parking rates at the Corpus Christi International Airport, effective October 1, 2024.

SUMMARY:

The proposed amendments adjust rates and charges within the ordinance. These changes are in coordination with the budget process.

BACKGROUND AND FINDINGS:

Since bringing parking operations back under direct City management in 2021, CCIA has made numerous improvements in the parking lots including covered parking canvas replacements, parking systems equipment upgrades, LED lighting upgrades, pavement maintenance and sealing, signage and markings, and landscaping. These upgrades improve passenger experience and extend the useful life of infrastructure.

To be more competitive for new or enhanced air service, improvements must continue but must not increase the cost for airlines to operate at the airport. To continue airport improvements and decrease the cost per enplanement (CPE) metric, revenue must increase in non-airline revenue sources like parking, concessions, and non-aeronautical business.

Airport staff created a five-year plan to increase non-airline revenues by over \$2.1 million, which includes annual adjustments to rates and charges for fuel flowage fees, business development agreements, and parking rate adjustments. This action is part of Year 3 of the (5) year plan. The annual parking rate adjustment is the next prescribed step in the action plan for parking rates and will be followed by future adjustments for all parking lots in FY26 and FY27.

ALTERNATIVES:

Alternative actions include not adjusting parking rates which would result in increased costs to the airlines and other tenants negatively impacting our CPE (cost per enplanement) and future funds available for parking lot upgrades and improvements.

FISCAL IMPACT:

The parking rate adjustment to all lots is projected to increase parking revenue by 10% in FY25 with an overall increase to revenue estimated at \$254,239.

FUNDING DETAIL:

Fund:	4610
Organization/Activity:	35030
Department:	53
Project # (CIP Only):	N/A
Account:	320500

RECOMMENDATION:

City staff recommend approval of the ordinance amendment. The Airport Board recommended approval of this ordinance at their regularly scheduled Board meeting.

LIST OF SUPPORTING DOCUMENTS:

Ordinance
Presentation