

STRATEGIC BUSINESS PLAN

FOR THE BOCA RATON AIRPORT AUTHORITY | JULY 2020



INTEGRITY

EXCELLENCE

RESPECT

LEADERSHIP

COLLABORATION

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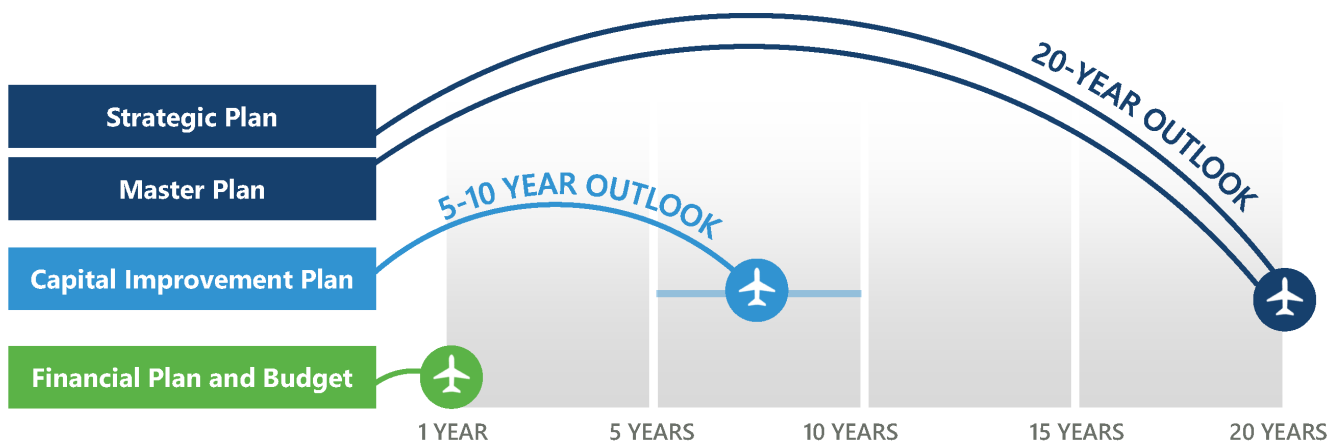
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1. INTRODUCTION

The Boca Raton Airport Authority (BRAA or the Authority), sponsor of Boca Raton Airport (BCT or the Airport), has updated its 2011 Strategic Business Plan (SBP). A SBP typically focuses on a 20-year planning horizon and is used to guide the day-to-day management and long-term decisions that affect an airport's development. It identifies ways that airport business and operations may change due to technological enhancements, the state of the economy, federal regulations, or community needs. The SBP also helps define a set of strategic initiatives for the Authority and formulates a plan to help achieve them. As depicted in **Exhibit 1-1**, the strategic plan guides most of the other airport plans. While planning analyses may influence the strategic plan formulation, other airport plans should be adjusted to align with and support the strategic plan once completed. Like other continuous planning processes, a SBP will need to be validated or updated on a routine basis, but also when significant changes occur in the operating and business environment.

EXHIBIT 1-1 STRATEGIC PLAN AND OTHER AIRPORT PLANS



SOURCE: Ricondo & Associates, Inc., January 2020.

The 2011 SBP for BCT was validated in 2016 through a facilitated review of the strategic initiatives and goals. However, since 2011, changes have gradually occurred within the Authority's operating environment, as well as in the aviation industry. Among the notable changes, most aeronautical tenants have changed (Boca Aviation was acquired by Atlantic Aviation, Premier Aviation was acquired by Signature Flight Support, and Boca Aircraft Owners was acquired by new shareholders), a new US Customs and Border Protection (CBP) facility has opened, the Authority's Airport Management team has changed, and several new Authority Board members have been appointed.

Throughout this document, several references to the Authority's staff are utilized. For clarity, the references and the corresponding associations are defined below:

- Airport Authority Board – Governing body of Boca Raton Airport

- Airport Management – Airport employees responsible for managing day-to-day operations and establishing policies and best practices
- Airport Authority – All Boca Raton Airport Authority Board members and professional staff

1.1 STRATEGIC BUSINESS PLAN OBJECTIVES

Airport Management uses the SBP as a day-to-day management document, as well as a yearly planning guide. For example, each year staff members use the adopted budget to evaluate how the previous year's projects and practices advanced the SBP's initiatives, and they also determine how the proposed projects and policies will further advance the strategic initiatives in the upcoming year.

Therefore, to provide an accurate roadmap for Airport Management, this SBP update has the following objectives:

- Reinforce and share the Authority's Mission, Vision, and Values.
- Provide guiding policies that reflect the changes to the business environment and new organizational makeup.
- Formulate initiatives that further advance the development of the Airport and the leadership role of the Authority.

1.2 APPROACH AND METHODOLOGY

A Strategic Planning Committee (the Committee) was formed to lead the development of the 2020 SBP, in collaboration with aviation consultant Ricondo & Associates, Inc. (the Consultant). The Consultant's primary role was to enable the Airport stakeholders, and specifically the Committee, to progress through the strategic planning process collaboratively and to update or formulate a Mission statement, Vision statement, list of Values, and strategic initiatives and actions that will further advance the work and leadership of the Authority to manage the Airport. The final plan represents a flexible roadmap that offers Airport Management guiding principles to effectively operate the Airport and achieve the Authority's Vision.

The Committee comprises Airport Management and one Authority Board member. With the support of the Consultant, the Committee reviewed and analyzed data from the Authority, government sources, stakeholder meetings, and a benchmark of peer airports to inform the 2020 SBP. The process to update the SBP consisted of the following tasks:

1. Collect information to determine the internal and external business and operational environment.
2. Assess the accuracy and relevancy of the current Mission statement, Vision statement, and list of Values and update them, as necessary.
3. Assess the viability of the 2011 strategic initiatives and objectives and update them, as necessary to represent the 2020 strategic initiatives.
4. Formulate an action plan that incorporates the 2020 strategic initiatives.

2. SUMMARY OF RESULTS

The strategic planning process resulted in a revised Vision statement, revised Mission statement, and updated list of Values, as well as five new strategic initiatives. The 2020 SBP was approved by the Authority Board members on July 15, 2020.

2.1.1 MISSION, VISION, AND VALUES

The Committee modified the Mission and Vision statements to improve their clarity and focus. The Mission statement delivers a directive on how to achieve the Vision. The new Mission statement mostly aligns with the 2011 Mission statement. The 2011 Vision statement was revised to be a more concise and aspirational statement. The list of Values remained mostly aligned with the 2011 Values, but the updated list features words that more accurately convey the Committee's desire to cultivate a culture of excellence.

New Mission Statement:

The Boca Raton Airport Authority operates a first-class public use general aviation facility dedicated to embracing our core values; promoting safety, efficiency, and environmental excellence; and advancing aeronautical and economic benefits to our business and community stakeholders.

New Vision Statement:

To deliver excellence in all we do.

New Values:

- Integrity
- Excellence
- Respect
- Leadership
- Collaboration

2.1.2 STRATEGIC INITIATIVES

The strategic initiatives are intended to guide Airport Management in the day-to-day operations at BCT. These strategic initiatives will help the Authority achieve its Vision and Mission. The 2020 strategic initiatives are comprised of the following:

1. Plan for financial resiliency in a dynamic and uncertain future environment.
2. Develop land use policies and practices that enhance the value of the Airport to business and community stakeholders.
3. Promote the Airport's value to the community and its contributions to the regional economy.
4. Shape the organizational structure to continue responding to a dynamic operating environment and deliver excellence in all we do.
5. Preserve and improve infrastructure assets and the operational integrity of the Airport.

3. INTERNAL AND EXTERNAL ASSESSMENT

The internal and external assessment is a foundational component of the SBP. It is an audit of the internal and external environments in which the airport operates. Data from multiple sources and stakeholders were gathered to provide an overview of industry changes and to describe the impacts of the most current changes on the Boca Raton Airport and Authority's operations. The assessment also identifies problems that can be discussed in subsequent stages of the SBP process.

3.1 INTERNAL ENVIRONMENT

The Committee evaluated seven categories related to the Airport's internal environment:

1. Organizational and business practices
2. Human resources and employee development
3. Finance
4. Operations, safety, and security
5. Planning and development
6. Communications and internal relations
7. External relations

From these categories, specific themes emerged. This section describes the four key themes found relevant to how the Airport operates:

1. history and governance structure
2. human resources practices
3. financial sustainability
4. engagement of Airport stakeholders

3.1.1 HISTORY AND GOVERNANCE STRUCTURE

The Airport initially served as a local city airport before it transitioned to an Air Force radar training base during World War II. In 1948, the federal government transferred the Airport to the Town of Boca Raton, and in the 1950s ownership was transferred to the State of Florida. In 1983 the current ownership was established when the Board of Trustees of the State of Florida Internal Improvement Trust Fund leased the existing land to the BRAA. The 90-year lease is currently set to expire in 2073.

Seven members comprise the Authority Board. The Boca Raton City Council appoints five members, and the Palm Beach County Commission appoints two members. The positions on the Authority Board are: Chair, Vice Chair, Secretary and Treasurer, and Board Member. Together, the Board members are responsible for developing and maintaining the Airport and the Airport's land, leases, and rates and fees.

Today, the Airport is designated by the National Plan of Integrated Airport Systems as a general aviation (GA) reliever airport. It relieves traffic from nearby Fort Lauderdale–Hollywood International Airport (FLL), a large-hub commercial airport, and Palm Beach International Airport (PBI), a medium-hub commercial airport. BCT is also identified as one

of 84 National airports in the FAA's 2012 Asset Report, which categorized general aviation airports based on the types of activities occurring at each airport.¹ National airports are located in metropolitan areas near major business centers, have high levels of activity by jet and multi-engine aircraft, are home to large numbers of based aircraft, and provide communities with access to national and international markets.

From 2014 to 2018, the Airport averaged approximately 43,000 annual itinerant operations, or operations originating elsewhere and landing at BCT. During that time, the Airport also averaged approximately 22,000 annual local operations, or operations that begin and remain within BCT's local traffic pattern. These local operations are generally associated with flight training. The larger percentage of itinerant operations demonstrates how the Airport primarily accommodates itinerant jet traffic.

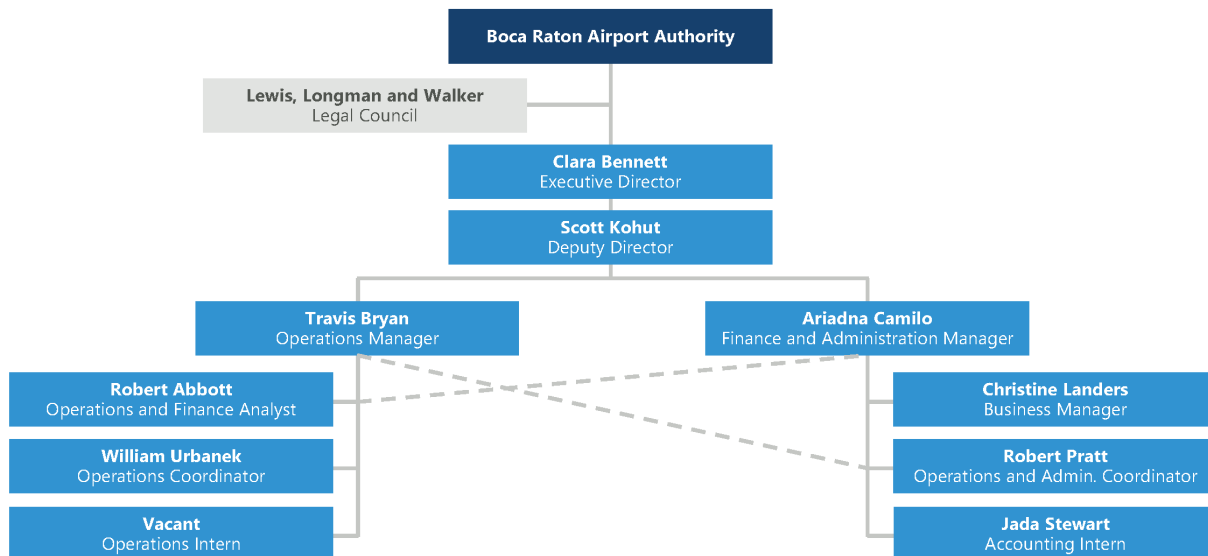
3.1.2 HUMAN RESOURCES PRACTICES

The Authority places high importance on its employees, which is evident through its structure and staff development policies. By investing in its employees, the Authority aims to decrease turnover and empower employees to work more effectively and efficiently over time.

3.1.2.1 ORGANIZATIONAL CHART

Airport Management plays an integral role in BCT's daily operation. As shown on **Exhibit 3-1**, the Airport has eight full-time positions and two intern positions. The structure emphasizes administrative responsibilities, finance, operations, and business management. The organizational chart shows that some positions encourage cross-training and some staff members fulfill multiple aspects of the Airport's business. This practice is a necessity within smaller organizations that cannot justify full-time incremental positions for any given function.

EXHIBIT 3-1 BOCA RATON AIRPORT ORGANIZATIONAL CHART



SOURCE: Boca Raton Airport Authority, January 2020.

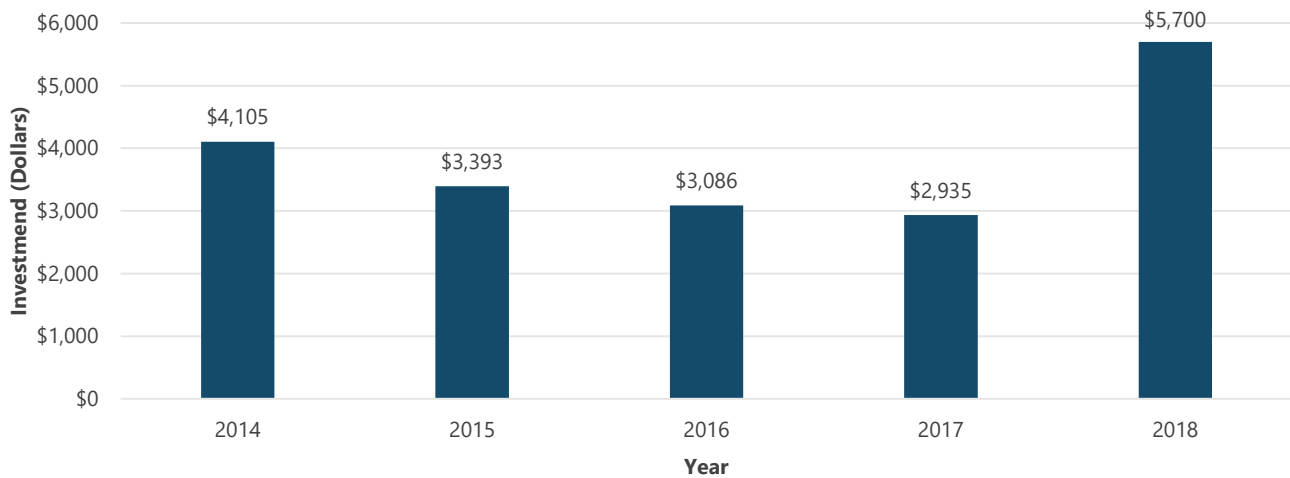
¹ Federal Aviation Administration, *General Aviation Airports: A National Asset*, May 2012.

3.1.2.2 STAFF TRAINING AND DEVELOPMENT

By supporting personal development through training, the Authority is investing in employees and improving morale. The Airport Management individuals are also acquiring the needed skills to be more effective and to continuously achieve improved operational performance.

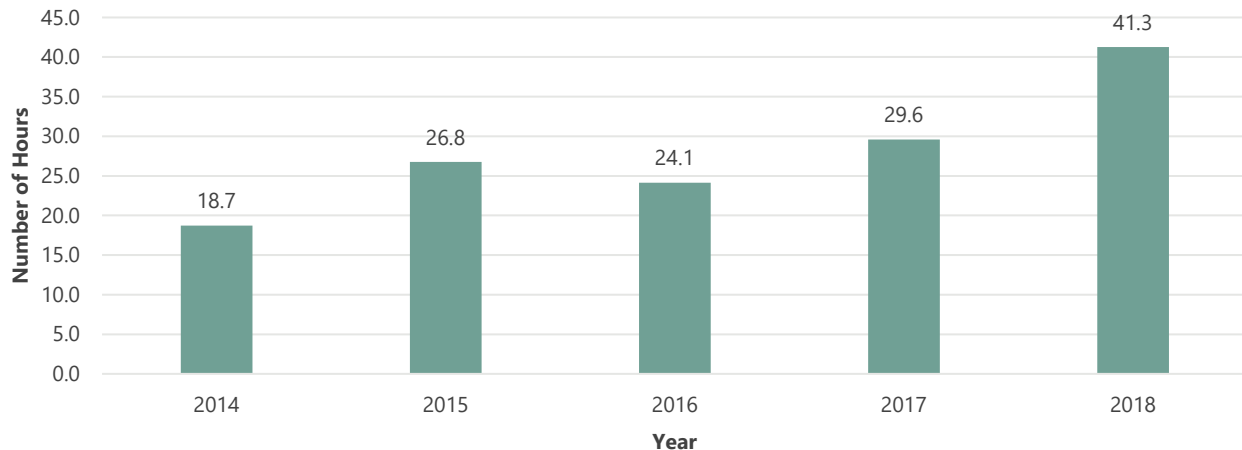
As shown on **Exhibit 3-2**, the Authority invested more than \$2,900 per employee each year from 2014 through 2018. Airport employees have taken advantage of this benefit, as shown on **Exhibit 3-3**. As a result, the current staff possesses a broader skillset and increased knowledge in their respective areas of responsibility. As shown in **Table 3-1**, two employees have master's degrees, several have professional certifications and accreditations, and many are members of airport and other professional organizations.

EXHIBIT 3-2 AVERAGE INVESTMENT IN EMPLOYEE TRAINING



SOURCE: Boca Raton Airport Authority, January 2020.

EXHIBIT 3-3 AVERAGE NUMBER OF TRAINING HOURS



SOURCE: Boca Raton Airport Authority, January 2020.

TABLE 3-1 ADDITIONAL EDUCATION OR TRAINING OF CURRENT EMPLOYEES AT BOCA RATON AIRPORT (AS OF JANUARY 2020)

EDUCATION OR TRAINING	NUMBER OF EMPLOYEES
Higher Education (Master's Degree)	2
Flight Training – Private or Higher	5
American Association of Airport Executives (AAAE) Certification	6
American Red Cross CPR/AED Certified	7
Boca Raton Chamber of Commerce – Leadership Boca	3
FDOT Airfield Pavement Management Program – Distress Repair and Inspection	2
Florida Airports Council – Airport Leadership	3
Florida Association of Special Districts Certified District Manager	1
Florida Records Management Association – Florida Certified Records Management	1

NOTES:

CPR – Cardiopulmonary Resuscitation

AED – Automated External Defibrillator

FDOT – Florida Department of Transportation

SOURCE: Boca Raton Airport Authority, January 2020.

3.1.3 FINANCIAL SUSTAINABILITY

BCT encompasses only 214 acres and is landlocked due to its urban location. Congress has set forth the requirement for airports to be as self-sustaining as possible in the Airport and Airway Improvement Act of 1982. In the Federal Aviation Administration Authorization Act of 1994, the Federal Aviation Administration (FAA) is additionally required to consider whether airport sponsors have taken reasonable efforts when establishing rates, charges, and fees to be self-sustaining.² The lease with the State of Florida may also be terminated if Airport facilities are not used for the operation of the Airport. Therefore, the Authority and Airport Management must ensure the Airport is operated in a financially self-sustaining manner. At BCT, the aeronautical and nonaeronautical tenant agreements play a large role in this.

3.1.3.1 AERONAUTICAL TENANTS

Atlantic Aviation, Premier Aviation of Boca Raton (Premier Aviation), and Boca Aircraft Owners are the three prime aeronautical tenants. Each of these businesses has a direct lease agreement with the BRAA. These prime aeronautical tenants also have subtenant agreements with at least nine aeronautical and three nonaeronautical businesses. **Table 3-2** lists these businesses. Aeronautical businesses at BCT include the following:

- fixed-base operators (FBOs)
- hangar lessees
- maintenance, repair, and overhaul (MRO) shops
- flight schools
- aircraft sales
- air charters

² US Department of Transportation, Federal Aviation Administration, *Airport Compliance Manual—Order 5190.6B*, Chapter 17, September 30, 2009.

TABLE 3-2 AERONAUTICAL TENANTS AND THEIR SUBTENANTS

PRIME AERONAUTICAL TENANT	SUBTENANTS	TYPE OF BUSINESS
Atlantic Aviation	<ul style="list-style-type: none"> ▪ Reliable Jet Maintenance ▪ Privaira ▪ Lynn University Flight School ▪ Global Wings ▪ Runway 5/23 Hangar Condominium Association ▪ Fairfield Inn and Suites ▪ Journey Aviation 	<ul style="list-style-type: none"> ▪ Aeronautical ▪ Aeronautical ▪ Aeronautical ▪ Aeronautical ▪ Aeronautical ▪ Nonaeronautical ▪ Aeronautical
Premier Aviation	<ul style="list-style-type: none"> ▪ Signature Flight Support ▪ Boca Aircraft Maintenance Retail Store ▪ Vida Jets ▪ Mattress Firm ▪ Restaurant (vacant) 	<ul style="list-style-type: none"> ▪ Aeronautical ▪ Aeronautical ▪ Aeronautical ▪ Nonaeronautical ▪ Nonaeronautical
Boca Aircraft Owners	None	

SOURCE: Boca Raton Airport Authority, January 2020.

3.1.3.2 NONAERONAUTICAL TENANTS

The three prime nonaeronautical tenants span the entertainment and retail industries. BRAA has a direct lease agreement with these nonaeronautical businesses:

1. Apex Parks Group, LLC (Boomers!) – recreational complex
2. iStar Florida 2015 Cinemas, LLC (Cinemark Theaters sublease) – movie theater
3. City Furniture/Ashley Home Store (City Furniture) – furniture retailer

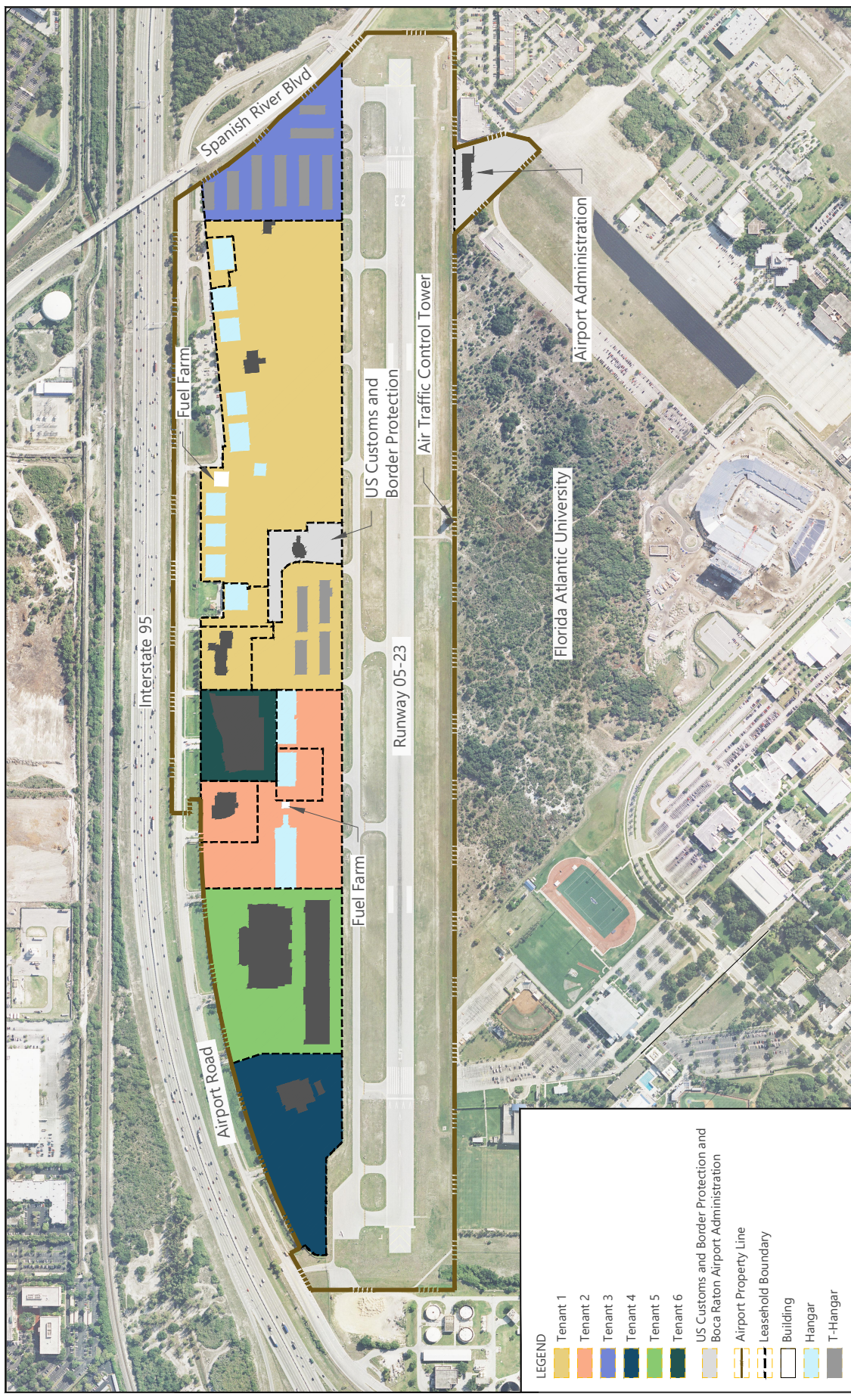
In addition, other prime aeronautical tenants have active sublease agreements with nonaeronautical tenants. These include Fairfield Inn and Suites (hotel) and Mattress Firm (retailer). Premier Aviation has leased to restaurants in the past, but its restaurant space is currently vacant. **Exhibit 3-4** depicts all leased land.

3.1.3.3 BUSINESS PRACTICES

The Authority has established agreements through tenant leaseholds that allow the Airport to operate debt free. This is a testament to the Authority's sound business practices.

From 2014 to 2018, the Airport increased revenues and decreased expenses. Operating revenues increased 3.1 percent consistently each year, and operating expenses without depreciation decreased at a rate of 1.5 percent annually. The Airport had approximately 45 percent more revenues than expenses on average over that period. Different strategies contributed to these results:

- renegotiation of lump sum maintenance contracts
- staff training on equipment repairs to reduce outsourcing costs
- adoption of a facilities management plan
- renegotiation of tenant leases
- debt-free project financing
- continuous partnerships with the Florida Department of Transportation (FDOT) and FAA for grants



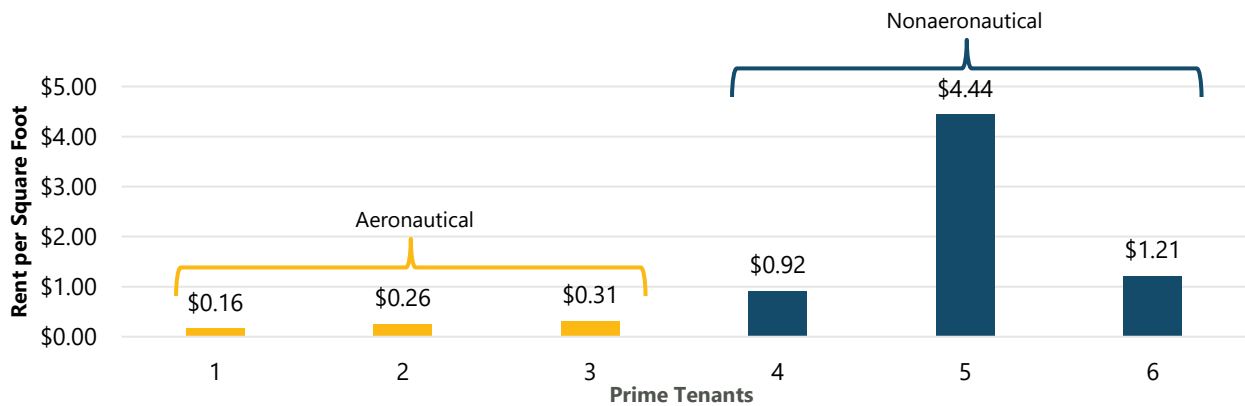
SOURCES: Boca Raton Airport Authority, January 2020; Boca Raton Airport Authority, Airport Layout Plan, 2019; Ricondo & Associates, Inc., 2020.



The majority of the rent collected at BCT results from the land leases the Authority has with its tenants. Aeronautical tenants represent approximately two-thirds of the leased land (65 percent); however, the rent collected from nonaeronautical tenants remains greater due to the difference in market rates. **Exhibit 3-5** depicts the annual land rent for the six primary tenants on a per square foot basis.

Exhibit 3-6 depicts the Airport’s sources of revenue; the Airport’s top-three revenue sources are nonaeronautical rent, aeronautical rent, and fuel flowage fees, respectively.

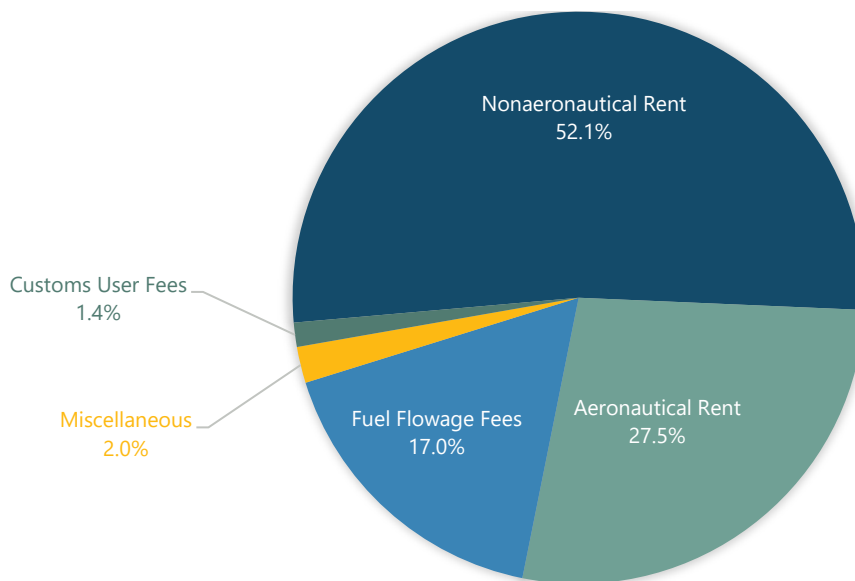
EXHIBIT 3-5 PRIME TENANT LAND RENT PER SQUARE FOOT (AS OF JANUARY 2020)



NOTE: Ground rent as of December 2019.

SOURCES: Boca Raton Airport Authority, January 2020; Boca Raton Airport Authority, March 11, 2020.

EXHIBIT 3-6 OPERATING REVENUE SOURCES



NOTE: The revenue values were based on the average of fiscal years 2014 to 2018 for each revenue source. For the Customs User Fees revenue source, fiscal year 2018 was used.

SOURCE: Boca Raton Airport Authority, January 2020.

3.1.4 ENGAGEMENT OF AIRPORT STAKEHOLDERS

Communications with Airport stakeholders, such as Airport users and surrounding community members, is particularly important. Depending on the proximity of an airport to residents, noise complaints and other concerns can cause residents to question an airport's value to the community. Airport sponsors can prevent these effects by communicating with residents and informing them of the plans to reduce, control, or mitigate noise or address their concerns. Further, communication is important to inform Airport users and pilots of changes or advisories and to maintain strong business relationships with Airport tenants.

3.1.4.1 INTERNAL COMMUNICATIONS

Airport Management communicates often with tenants and Airport users by hosting quarterly tenant meetings, issuing regular advisories, visiting tenants during holidays, and planning special events. Some examples of BCT's tenant engagement events include the following:

- employee appreciation ice cream social
- summer back-to-school supplies drive
- cardiopulmonary resuscitation (CPR)/first-aid training
- yearly tenant appreciation luncheon
- Florida Atlantic University Owls tailgate
- annual Toys for Tots drive

Airport Management also maintains constant communication with tenants, so tenants feel comfortable presenting concerns, which sustains healthy business relationships.

3.1.4.2 EXTERNAL COMMUNICATIONS

Airport Management engages with the community using a variety of platforms. Social media (Facebook, Instagram, and Twitter), community events, and charity involvement are ways in which Airport Management advocates for BCT and informs community members on the Airport's role in the community.

On-Airport community outreach events include:

- Wings of Freedom Day
- Boynton Beach Community High School Airport career day
- Naval Junior Reserve Officers' Training Corps (NJ ROTC) high school student tour

In addition to on-Airport events, Airport Management actively support local community organizations and events. Examples include the Authority's sponsorship of the City of Boca Raton Fabulous Fourth Event in 2018 and 2019, participation in Habitat for Humanity Womens' Build and CEO Build, support of Boca Helping Hands, and Florida Atlantic University athletics. Historically, Airport Management have hosted numerous charity-supporting events. They conduct a yearly back-to-school drive and a Christmas toy drive, and they are quick to respond with collections when hurricanes occur. After Hurricane Dorian in 2019, the Authority waived the CBP clearance fees and collected donations.

Exhibit 3-7 presents photos of the yearly World War II commemoration known as Wings of Freedom Day, and **Exhibit 3-8** presents photos of the yearly Christmas toy drive for the Toys for Tots organization.

EXHIBIT 3-7 WINGS OF FREEDOM DAY



SOURCE: Boca Raton Airport Authority, January 2020.

EXHIBIT 3-8 TOYS FOR TOTS TOY DRIVE



SOURCE: Boca Raton Airport Authority, January 2020.

3.2 EXTERNAL ENVIRONMENT

In addition to its evaluation of the Airport's internal environment, the Committee evaluated external factors that affect Airport operations. These are outside factors that Airport Management and the Authority cannot control, but these factors still influence Airport development. From the information reviewed, three main themes were found significant for the BRAA and BCT:

1. local economic and business development
2. proposed changes to Florida's aviation grant funding program
3. future uncertainties including emerging global pandemics

3.2.1 LOCAL ECONOMIC AND BUSINESS DEVELOPMENT

When this SBP update was initiated, the US economy was experiencing consistent growth; unemployment was decreasing, consumer spending in Florida was on the rise, and business development was favorable in and around Boca Raton, which benefited business and leisure travel at BCT. Up until February 2020, the outlook for future air travel was positive. However, since the emergence of the COVID-19 global pandemic, the outlook on the economy and air travel, specifically, has become much more uncertain. Since the full effects of this pandemic are not yet clear, this section summarizes the trends leading up to February 2020 and discusses the potential impacts of this global pandemic.

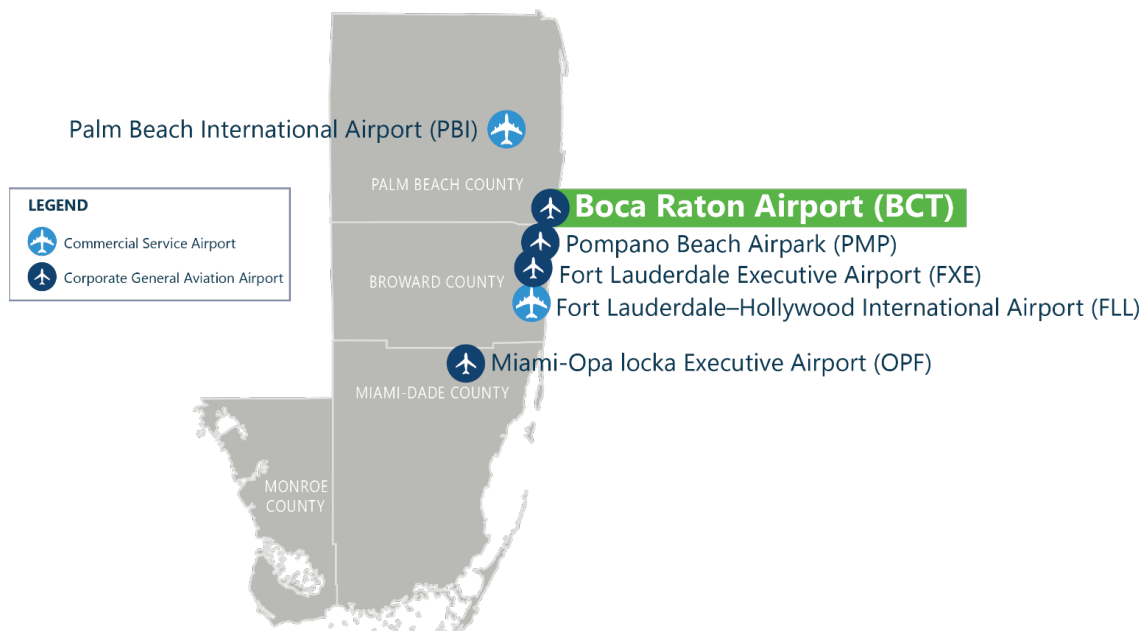
While the economy may be experiencing negative or unclear growth in the near-term, it is important to note that strategic planning can help an airport sponsor prepare for periods of uncertainty. Therefore, as part of the effort to update this SBP, and before the emergence of COVID-19, the Committee had made financial and operational resiliency a focus of the SBP.

For the 2020 SBP, the primary trends identified as significant for growth of BCT air traffic are the Airport's location; economic measures such as consumer confidence, unemployment, and per capita personal income; and population traits conducive to business and leisure travel.

3.2.1.1 AIRPORT LOCATION

The Airport's location in South Florida is particularly conducive to air travel. The weather is beneficial for year-round travel without the worry of additional maintenance that is incurred in colder climates, such as aircraft deicing or storage. As depicted on **Exhibit 3-9**, BCT is also located near popular Florida metropolitan locations such as Fort Lauderdale, Palm Beach, and Miami.

EXHIBIT 3-9 BOCA RATON AIRPORT LOCATION MAP



SOURCE: Ricondo & Associates, Inc., March 2020.

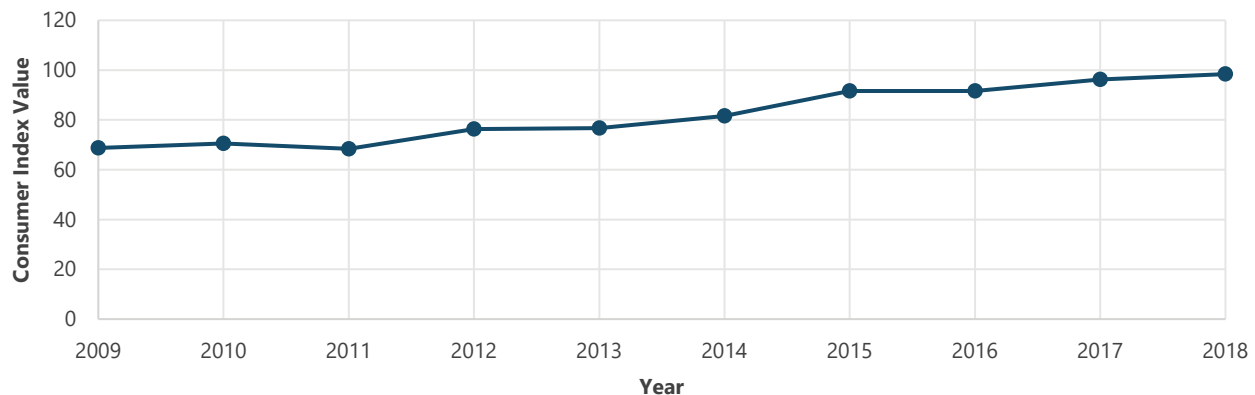
In addition, commuters on Interstate Highway 95 (I-95) pass a large portion of the Airport’s leasable land on a daily basis. The FDOT reported an average daily count of 220,000 trips in each direction in this area in 2018.³ This makes BCT highly marketable and favorable to tenants who can benefit from the high traffic exposure.

3.2.1.2 ECONOMIC MEASURES

Traditional economic measures involving the city’s population and the type of businesses headquartered at Boca Raton seem favorable for business travel. A measure of consumer confidence in Florida is the Consumer Sentiment Index (CSI) developed by the Bureau of Economic and Business Research (BEBR) at the University of Florida. The University of Florida index uses 1966 as its base. In other words, the index was 100 in 1966. Numbers over 100 mean more optimism than in 1966. This index designed to be comparable to the national Consumer Confidence Index. As depicted on **Exhibit 3-10**, BEBR data from 2009 to 2018 show a steady increase in consumer confidence. Additionally, unemployment for Boca Raton and the surrounding counties has been steadily decreasing. As shown on **Exhibit 3-11**, Palm Beach County, Broward County, Miami-Dade County, and the City of Boca Raton experienced decreasing unemployment from 2009 to 2018. The average unemployment in 2018 for the three counties was 3.3 percent.

Fortune 1000 companies represent US companies ranked according to their annual revenues. **Exhibit 3-12** shows the number of Fortune 1000 companies headquartered within the tri-county area. Palm Beach County had the most headquartered companies in its cities from 2014 to 2019. Within Palm Beach County, Boca Raton consistently had the most Fortune 1000 companies, followed by West Palm Beach, which tied with Boca Raton in 2019. The three Fortune 1000 companies in Boca Raton are Office Depot, Inc., ADT Inc., and The GEO Group, Inc.

EXHIBIT 3-10 FLORIDA’S CONSUMER SENTIMENT INDEX

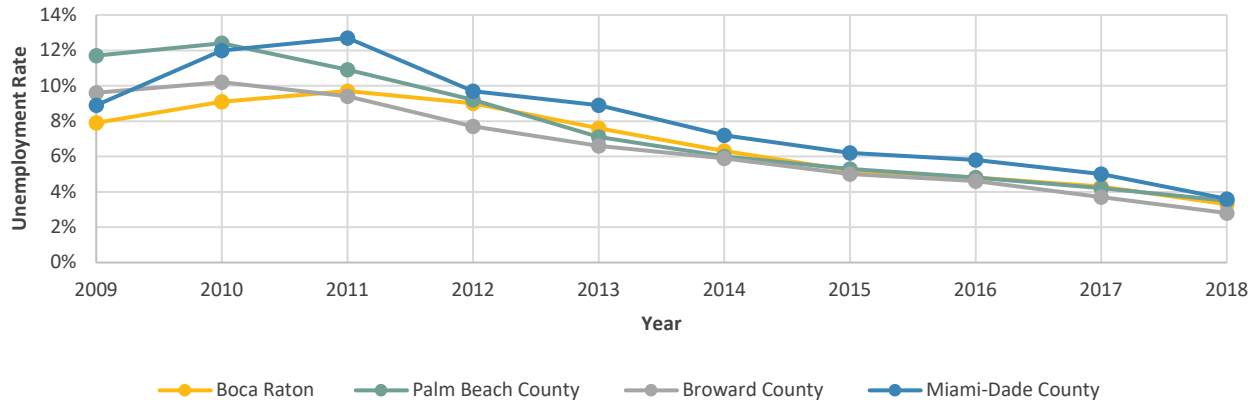


NOTE: Numbers over 100 represent optimism greater than in 1966, which represents the base year for this economic measure. Surveys are ranked from 2 to 150.

SOURCE: Bureau of Economic and Business Research, *Consumer Sentiment Index Data*, December 2019.

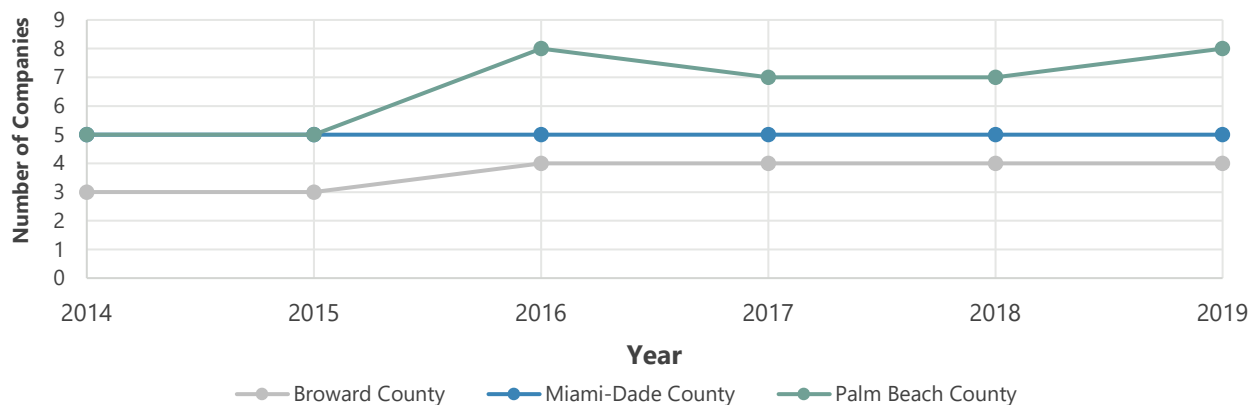
³ Florida Department of Transportation, FDOT Real-Time Hourly Report – Volume and Speed (North/Southbound), <https://fdot.maps.arcgis.com/apps/opsdashboard/index.html#/69809b9bd61c435aa993b960727f19de> (accessed June 2020).

EXHIBIT 3-11 LOCAL UNEMPLOYMENT RATE



SOURCES: Broward County, 2018 Comprehensive Annual Financial Report, 2019; Miami-Dade County, Comprehensive Annual Financial Report, 2019; Palm Beach County, Comprehensive Annual Financial Report, 2019; City of Boca Raton, Comprehensive Annual Financial Report, 2019.

EXHIBIT 3-12 FORTUNE 1000 COMPANIES



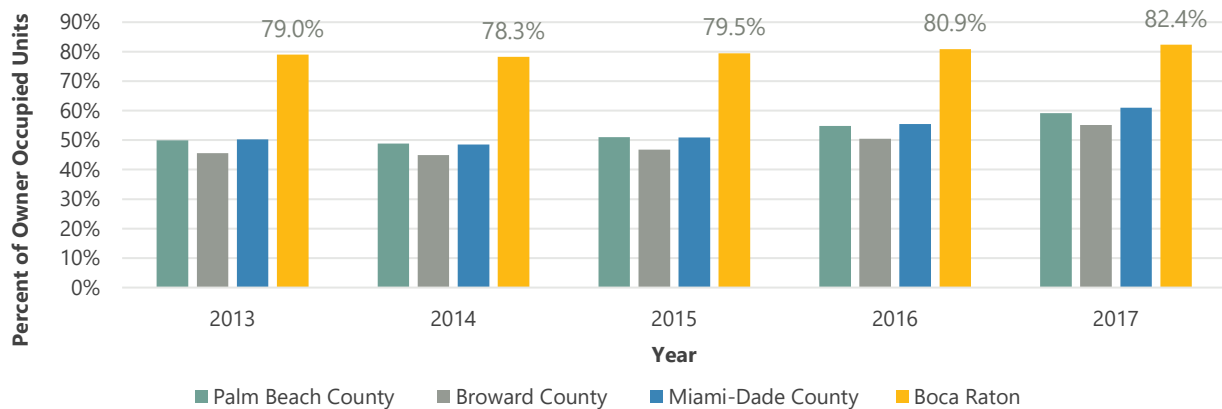
SOURCE: Fortune Media IP Limited, Fortune 1000 List, December 2019.

3.2.1.3 PRO-BUSINESS TRAVEL POPULATION

The population in Boca Raton has traits favorable for business travel, which represents the most frequent types of operations at BCT. The combination of a wealthier local population and multiple corporate headquarters increases the likelihood of business executives residing in Boca Raton, as well as the frequency of corporate travel.

A measure of wealth is the average price of homes in an area. In Boca Raton, homes are more expensive. Most homes occupied by owners in Florida cost between \$50,000 to \$199,999 for the 2013 to 2017 period. On average, 52.7 percent of homes in Palm Beach County and 53.2 percent of homes in Miami-Dade County are valued higher. In Boca Raton, specifically, an average of 80.0 percent of homes are valued higher. **Exhibit 3-13** depicts the percentage of owner-occupied homes that cost more than Florida’s average of \$199,999.

EXHIBIT 3-13 OWNER-OCCUPIED HOMES OVER FLORIDA AVERAGE



SOURCE: US Census Bureau, 2013-2017 American Community Survey 5-Year Estimates, 2013.

3.2.2 PROPOSED CHANGES TO FLORIDA'S AVIATION GRANT FUNDING PROGRAM

The aviation industry is largely regulated by the FAA. While many commercial airports rely on parking and concession revenues and passenger facility charges (PFCs) to fund operating costs and capital projects, the sponsors of smaller GA airports must be more creative to produce revenue and leverage State and Federal grant funding to make improvements. Airports rely on grants to primarily fund improvements that enhance safety, capacity, security, and environmental concerns.

One pressing concern currently facing Florida airports is the potential revocation of the aviation fuel tax. This tax contributes to the State Transportation Trust Fund, which supports the funding of the FDOT Aviation Grant Program. This is especially relevant for the BRAA as most projects needed and implemented at BCT do not compete well or rank high enough in the federal priority ranking system to receive federal funding assistance. For example, the Air Traffic Control Tower (ATCT) and the newly built CBP facility were not eligible for federal funds. The State supported these projects, which have, in return, greatly contributed to the BRAA's goal of financial sustainability through increased traffic and revenue.

Recent and future changes to the fuel tax could make funding for future projects much more difficult. The aviation fuel tax already decreased from 6.9 cents per gallon to 4.27 cents per gallon on July 1, 2019. Currently, Senate Bill 1192: Tax on Aviation Fuel, which proposes repealing this tax, is under review.

3.2.3 FUTURE UNCERTAINTIES

Every organization operates with some uncertainties about the future. For BCT, technology, hurricanes, economic recessions, and the effects of global pandemics could drastically affect Airport operations.

3.2.3.1 TECHNOLOGY

In terms of technology, BCT will continue to adapt to changes to the GA fleet and the implementation of new aircraft technologies. According to the FAA Aerospace Forecast, from 2019 through 2039, the GA fleet will consist of more

turbine powered, experimental, and light sport aircraft.⁴ As BCT serves a high number of business aircraft operations (turbine powered), total operations at the Airport are projected to continue growing. New technologies, such as electric vertical takeoff and landing (eVTOL) aircraft and Unmanned Aircraft Systems (UAS), will require that the airspace integrate a more diverse fleet and an increased number of aircraft. UAS and eVTOL technologies both offer benefits that current common technologies do not.

The use of UAS aircraft has been increasing rapidly. UAS can be used for surveying, deliveries, runway inspections, and airport property scans to improve security. Some UAS benefits are related to reducing costs associated with pilot run operations, improving workers' safety, and increasing the amount of data collected. According to the FAA Aerospace Forecast, the UAS fleet will triple in 2023 to over 835,000 aircraft, and the future growth rate through 2023 ranges from 17 percent to 36 percent annually.

The future of eVTOL aircraft is more unclear because these technologies are still developing. Still, there is a growing number of working models and partnership programs underway with the goal of developing eVTOL aircraft. One popular developer is Uber with its Uber Elevate program. This program would use aircraft to transport people much like Uber does today, but as an air transportation service.

General benefits of eVTOL aircraft include the following:

- decreases in commute and travel time;
- connects more communities farther from large cities where the commute is more burdensome;
- introduces an environmentally sound alternative to travel with zero emissions; and
- provides a noiseless or nearly noiseless type of air travel.

Certain infrastructure challenges are associated with this kind of air travel that would need to be addressed before widespread public use. These include Air Traffic Control coordination, installation of charging stations, identification of landing sites, and certification from the FAA. It is not clear when these technologies might be regularly implemented at airports.

Although technologies such as UAS and eVTOL aircraft are on the rise, their application to US GA airports is still unclear. Some airport executives surveyed for this SBP update stated the cost-benefit of implementing or developing the infrastructure to accommodate these new technologies is unknown or not favorable. Most airport executives believed more time is needed to determine the applicability of these innovations.

3.2.3.2 HURRICANES

Hurricanes are a known threat to South Florida during the annual hurricane season that begins on June 1 and ends on November 30. In the past, Boca Raton has experienced hurricanes and hurricane damage. Hurricane Wilma in 2005 damaged some hangars at BCT. **Exhibit 3-14** shows some of the damage.

Using a statistical model based on 40 years of historical data that includes current-year conditions, researchers at Colorado State University's (CSU's) Tropical Meteorology Project forecast an active 2020 Atlantic hurricane season.⁵ Recent trends also show rising sea levels and warmer ocean temperatures. According to Yale Climate Connection,

⁴ Federal Aviation Administration, *FAA Aerospace Forecast Fiscal years 2019-2039*, March 2019.

⁵ Colorado State University, *Increasing Forecast Slightly, CSU Researchers Predict Very Active 2020 Atlantic Hurricane Season*, June 2020.

an initiative of Yale University's School of Environment, these trends will lead to more intense hurricanes with higher wind speeds and more precipitation.⁶

Although airports retain insurance for potential damages, damage to structures could halt tenants from conducting business, and prevent the Airport from having a safe place for pilots to land, thereby decreasing operations and revenues earned from those operations, at least temporarily.

EXHIBIT 3-14 HURRICANE WILMA DAMAGE AT BOCA RATON AIRPORT



SOURCE: South Florida Sun Sentinel, *Boca Airport Tab nears \$12 million*, November 2005.

3.2.3.3 CORONAVIRUS (COVID-19) EFFECTS

As stated previously, COVID-19 has had severe effects on airports across the United States, as well as on the travel industry. As this study was being finalized, it was clear that airlines and airports would experience decreased traffic for an undetermined period. Many governments placed restrictions on air travel, and citizens became weary of contracting the virus through crowds while traveling in an aircraft's closed environment or through highly trafficked airports. For GA airports, the "shelter in place" orders enacted as a response to the pandemic discouraged many citizens from leaving their homes for nonessential purposes. This means that business and recreational travel and flight training operations were reduced or halted. While the long-term effects of this pandemic remain unknown, the pandemic's severity has influenced the identification of strategic issues and resulting strategic initiatives, primarily from a resiliency and response planning standpoint.

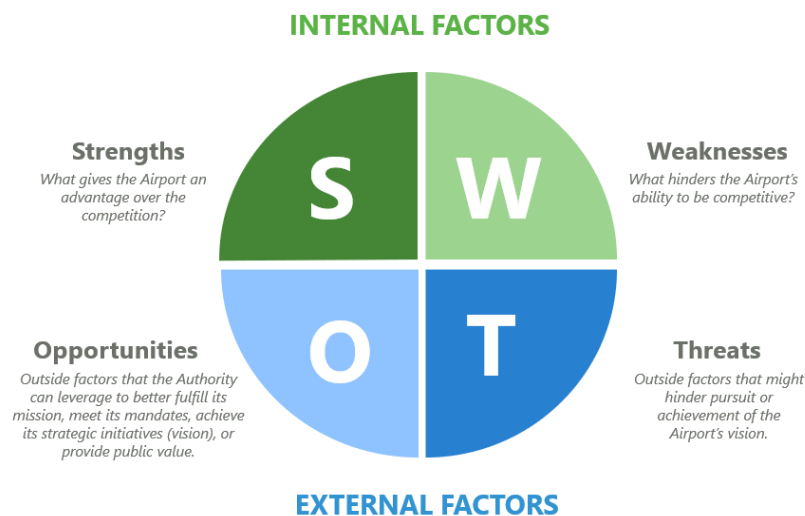
⁶ Yale Climate Connections, *How Climate Change is Making Hurricanes more Dangerous*, July 2019, <https://www.yaleclimateconnections.org/2019/07/how-climate-change-is-making-hurricanes-more-dangerous/>.

4. STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS ANALYSIS

The Committee conducted a strengths, weaknesses, opportunities, and threats (SWOT) analysis. This is the process by which an organization evaluates its internal and external environments and identifies future issues and strategies that may affect airport operations. Through this analysis, the Committee identified factors that could impact Airport operations, as well as the anticipated future changes warranting further study.

The internal and external environmental assessment informed the SWOT analysis. The internal components are strengths and weaknesses. Strengths are defined as the factors that give the Airport an advantage over its competition. Weaknesses, on the other hand, are the factors that hinder a competitive advantage or performance. The external factors are opportunities and threats. These are the factors the Airport has very little control over, but they still have a large influence on Airport business. External opportunities are considered the factors that the Authority can take advantage of to better fulfill its Mission, meet its mandates, achieve its strategic initiatives, or provide public value. The external threats are the outside factors that might hinder the pursuit or achievement of the BRAA's Vision. **Exhibit 4-1** summarizes these factors.

EXHIBIT 4-1 STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS FACTORS



SOURCES: Ricondo & Associates, Inc., January 2020.

4.1 STAKEHOLDER PARTICIPATION

For a comprehensive assessment, the Committee invited BCT tenants and external stakeholders to participate in the SWOT analysis on February 20, 2020. Each stakeholder group had its own workshop, and participants received an informational packet prior to the meeting with pertinent internal and external data.

Participating tenants represented Reliable Jet Maintenance, Signature Flight Support, Lynn University, Boca Aircraft Owners, Atlantic Aviation, and Privaira. **Exhibit 4-2** shows BCT tenants participating in the SWOT analysis. External stakeholders included representatives from:

- FDOT District 4
- Boca Raton Chamber of Commerce
- Palm Beach County Department of Airports
- Business Development Board of Palm Beach County
- Blodgett & Associates, Inc.
- Lynn University

EXHIBIT 4-2 STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS ANALYSIS WORKSHOP



SOURCE: Boca Raton Airport Management, February 2020.

4.2 STRENGTHS, WEAKNESSES, OPPORTUNITIES, AND THREATS ANALYSIS RESULTS

The Committee, tenants, and external stakeholders found similar strengths, weaknesses, opportunities, and threats. The identified SWOT items were grouped according to themes. The internal strengths and weaknesses revolved around the following three themes:

- Airport Management and processes
- stakeholder communications
- airfield and Airport operations

The external opportunities and threats revolved around the following four themes:

- technological changes
- entrepreneurial/business partnerships
- external stakeholder relations
- future uncertainties

Table 4-1 summarizes the internal strengths and weaknesses, and **Table 4-2** summarizes the external opportunities and threats.

TABLE 4-1 IDENTIFIED INTERNAL STRENGTHS AND WEAKNESSES

STRENGTHS	WEAKNESSES
AIRPORT MANAGEMENT, PROCESSES, AND STAFF	
Strong organizational structure	Reappointment of majority of Airport Board every 2 years could result in reduced continuity of knowledge/leadership
Supportive Airport Board	Lean staffing leads to heavy reliance on individuals
Committed and engaged staff	Cross-functional training may lead to overworked staff
Knowledgeable leader	Reliance on grants for project funding
Succession planning prepares organization for staff changes	2073 lease extension could create challenges for lease extensions and lessee improvements
Investment in staff reduces employee turnover	
Innovative and aggressive planning	
Sound financial and organizational policies	
Stable revenue sources/debt-free	
AIRPORT COMMUNICATIONS	
Support from businesses in the community (city council, tenants, and chamber of commerce)	Need improved marketing
Airport tenants have contacts with aviation groups/associations; these can be leveraged to host on-Airport events and advocate for Airport policy positions	Need stronger social media presence
	Communication with pilots, elected officials, and residents can continue to improve
AIRFIELD AND AIRPORT OPERATIONS	
Tower with radar	No aircraft rescue and firefighting facility on Airport property
Customs and Border Protection facility	Expand Customs and Border Protection access/hours
Fixed-base operator outreach is good	Land constraints
Broad array of aviation services	Seasonality of activity creates an imbalanced use of the facilities
On-site security	
Runway length is sufficient and not currently a constraint	

SOURCE: Ricondo & Associates, Inc., March 2020.

TABLE 4-2 IDENTIFIED EXTERNAL OPPORTUNITIES AND THREATS

OPPORTUNITIES	THREATS
TECHNOLOGICAL CHANGES	
Automated vehicles	Airport reliance on fuel taxes/fees may be a problem as aircraft become more fuel efficient and become more electric
Unmanned Aircraft Systems (UAS) may be used for airfield inspections, renovations, and maintenance; commercial package delivery; and passenger services	Modern threats, information technology (IT) cyber-attacks.
Electrical vertical takeoff and landing (eVTOL) aircraft and flying cars	Fuel tax is being debated and its repeal could result in reduced State funding for future projects
Electric-powered aircraft could result in new business avenues for the Airport	
Alternative fuels or electricity offerings can minimize effects of more fuel-efficient aircraft	
Increase security through new technologies	
Leverage new technologies to alleviate some staff workloads	
ENTREPRENEURIAL/BUSINESS PARTNERSHIPS	
Economy is currently very strong	Economy can turn
Airport location is ideal due to proximity to major Florida areas like Miami, Palm Beach, and Fort Lauderdale	Spikes in activity at the fixed-base operators can cause for longer wait times (due to temporary flight restrictions)
Prime location near Interstate Highway 95, excellent access	Capital costs are increasing
Consider looking into support uses for parcels with no direct airfield access	Challenge to receive bids for capital projects
8th largest metropolitan statistical area and expected to be the 7th largest in 2021	Competition with Fort Lauderdale Executive Airport (FXE) due to land availability
Increase of wealthy residents in Florida; many are leaving California, New York, and Illinois	
New developments around the Airport could result in new partnerships	
Boca Raton demographics provide good environment for corporate travel	
Availability of infrastructure during off-peak season	
EXTERNAL STAKEHOLDER RELATIONSHIPS	
Staff talent that can be leveraged to interact with stakeholders beyond Airport limits	Need to work on Airport long-term sustainability includes hosting events for the community and engaging with future workforce to address aviation shortages
Branding and marketing of the Airport; Authority can consider billboard describing services	New developments near approach path could lead to new complaints by community
Expand marketing to local county brochures and literature to disseminate information about the Airport to wider audience	
Develop relationship with Boca Raton Innovation Campus to market Airport services	
FUTURE UNCERTAINTIES	
Relationships with Federal Aviation Administration (FAA) and Florida Department of Transportation (FDOT) are very strong	FAA and FDOT relationships can shift as staff changes
Relationships with National Business Aviation Association and Florida Aviation Business Association can be utilized to improve representation and communication of Airport needs	Availability of grants (FDOT and FAA)
	External representation needed to voice the Authority's interests to legislators
	2073 lease extension needs to be addressed long before term
	Aviation workforce shortage
	Natural disasters (hurricanes)

SOURCE: Ricondo & Associates, Inc., March 2020.

Since the internal factors represent organizational practices and policies that may be influenced by the BRAA, the Committee wished to review the commonly identified internal weaknesses in greater depth. The Committee wanted to assess strategies at other GA airports to see if Airport Management could implement those strategies at BCT, review the Authority Board appointment practices for other airport authorities, and compare staffing size and responsibilities at airports with similar operations. Because the Committee and other stakeholders identified constrained land as a weakness, the Committee also chose to review and discuss land use and land management practices.

Additionally, the Committee identified significant threats that may affect future Airport operations. Factors found to be significant were the potential repeal of the aviation fuel tax, economic cycles, natural disasters, and global health crises and pandemics. The Committee chose to address these concerns by developing initiatives that offered the BRAA a multi-faceted approach to addressing the potential consequences of these external factors while incrementally enhancing its resiliency.

4.3 INTERNAL WEAKNESSES

The SWOT analysis identified the following three significant internal weaknesses:

- The reappointment of the majority of the Authority Board every 2 years could result in reduced continuity of knowledge and leadership.
- Lean staffing leads to heavy reliance on individuals, and cross-functional multi-discipline responsibilities may lead to overworked staff.
- Airport land constraints require maximizing use of land while concurrently exploring opportunities to creatively expand the land available for existing and new tenants.

Though other weaknesses were identified, the consequences of these three weaknesses continuing were considered severe. Before enacting actions or policies to address these concerns, the Committee opted for researching other airports to gain a better understanding of the best practices within the GA professional community.

4.3.1 AIRPORT AUTHORITY BOARD PRACTICES

Today, the seven-member Authority Board is made up of five members appointed by the Boca Raton City Council and two members appointed by the Palm Beach County Commission. The appointments are staggered, and each member serves for two years.

As listed in **Table 4-3**, the Committee evaluated nine other airports with a similar organizational structure. Although some authorities managed multiple airports, insight on best practices for authority appointments are relevant and applicable since authorities managing more airports are likely to strive for efficiency. From the collected information, the average number of authority board members is seven to eight. The average term for each member is four years, which is two more years than the term for Authority Board members.

TABLE 4-3 AIRPORT AUTHORITY BOARD APPOINTMENT PRACTICES

AIRPORT(S)	CODE	AIRPORT AUTHORITY	BOARD MEMBERS	APPOINTED BY	TERM
Boca Raton Airport	BCT	Boca Raton Airport Authority	7	5 - City Council 2 - Palm Beach County Commission	2 years
Albany International Airport	ALB	Albany County Airport Authority	7	4 - Majority Leader of Albany County Legislature 3 - Albany County Executive; All with approval of Albany County Legislature	4 years until successor is appointed. Any person appointed to fill a vacancy will be appointed to serve only the unexpired term.
Allegheny County Airport Pittsburgh International Airport Asheville Regional Airport	AGC PIT AVL	Allegheny County Airport Authority Asheville Regional Airport Authority	9 7	Allegheny County Chief Executive nominates board members and then the 15-member council votes. 2 - Asheville City Council 2 - Buncombe County Commission 2 - Henderson County Commission 1 - regional at-large by the six board members	5 years; initial terms staggered; subsequent terms are for 5 years. 4 years. No more than 2 successive terms. Must have at least a lapse of 4 years.
Eagle Creek Airpark Hendricks County Airport – Gordon Graham Field Indianapolis Downtown Heliport Indianapolis International Airport Indianapolis Metropolitan Airport Indianapolis Regional Airport	EYE 2R2 8A4 IND UMP MQJ	Indianapolis Airport Authority	11	7 - City of Indianapolis 4 - Marion, Hamilton, and Hancock Counties	4 years until successor is appointed. Any person appointed to fill a vacancy will be appointed to serve only the unexpired term.
Hollywood Burbank Airport	BUR	Burbank-Glendale-Pasadena Airport Authority	9	3 - City of Burbank 3 - City of Pasadena 3 - City of Glendale	Until successor is appointed.
John C. Tune Airport Nashville International Airport	JWN BNA	Metropolitan Nashville Airport Authority	10	10 - City of Nashville	4 years until successor is appointed.
Laurence G. Hanscom Field Logan International Airport Worcester Regional Airport Naples Airport	BED BOS ORH APF	Massachusetts Port Authority	7 5	5 - Governor of Massachusetts 1 - Community Advisory Committee 1 - Appointed by Department of Transportation 5 - City of Naples	7 years until successor is appointed. Any person appointed to fill a vacancy will be appointed to serve only the unexpired term.
Orlando Executive Airport Orlando International Airport	ORL MCO	Greater Orlando Aviation Authority	7	5 - Governor appointments with confirmation by Senate 1 - Mayor of the City of Orlando 1 - Mayor of Orange County Board of County Commissioners	4 years until successor is appointed. Any person appointed to fill a vacancy will be appointed to serve only the unexpired term. Terms of Mayor's last full term in office. All others, 4 years.

SOURCES: Boca Raton Airport Authority, The Boca Raton Airport Authority, <https://bocairport.com/airport-authority/> (accessed March 2020); Allegheny County Airport Authority, Leadership and Board, <https://flypittsburgh.com/acaa-corporate/about/leadership-board/> (accessed March 2020); Allegheny County, Allegheny County Airport Authority, <https://apps.alleghenycounty.us/website/boards.asp?board=231&button1=View> (accessed March 2020); Albany County Airport Authority, Board, Staff, and Hours, <http://albanyairport.com/airport-authority/board-staff-hours> (accessed March 2020); Naples Airport Authority, Naples Airport Authority Dependent Special District, <https://flynaples.com/special-district-information/> (accessed March 2020); The City of Asheville, Asheville Regional Airport Authority, <https://www.ashevilenc.gov/department/city-clerk/boards-and-commissions/asheville-regional-airport-authority/> (accessed March 2020); General Assembly of North Carolina, Session 2011 Session Law 2012-121, House Bill 552, June 2012; Burbank-Glendale-Pasadena Airport Authority, Commissioners and Staff, <https://hollywoodburbankairport.com/airport-authority/commissioners-staff/> (accessed March 2020); Indianapolis Airport Authority, Leadership, <https://www.ind.com/about/leadership> (accessed March 2020); Indianapolis Airport Authority, Board Details, <https://www.ind.com/about/leadership> (accessed March 2020); Nashville International Airport Board of Commissioners, Leadership, <https://www.ind.com/about/leadership> (accessed March 2020); Massachusetts Port Authority, Massport Board and Executive Staff, <https://www.massport.com/massport/about-massport/leadership/board-executive-staff/> (accessed March 2020); General Court, Acts, 1956 – Chap. 465, <https://archives.lib.state.ma.us/bitstream/handle/2452/45773/1956acts0465.pdf?sequence=3&isAllowed=y> (accessed March 2020); Greater Orlando Aviation Authority, *Board Members*, https://orlandoairports.net/site/uploads/board_listing.pdf (accessed March 2020).

4.3.2 STAFFING PRACTICES

To better understand staffing practices at airports with similar traits, the Committee reviewed staffing levels at other US airports. In total, 10 other US GA or GA reliever airports with a large majority of annual business operations were reviewed. GA airports are categorized by the FAA as airports that provide public access to the aviation system, while GA reliever airports are designated by the FAA to relieve congestion at nearby commercial service airports.⁷

Table 4-4 summarizes the characteristics of the sample.

TABLE 4-4 STAFFING REVIEW – AIRPORT SAMPLE CHARACTERISTICS

AIRPORT (CODE)	LOCATION	OWNERSHIP	NPIAS CATEGORY	PRIMARY USE
Boca Raton Airport (BCT)	Boca Raton, FL	Boca Raton Airport Authority	GA Reliever	Business
Allegheny County Airport (AGC)	Pittsburgh, PA	Allegheny County Airport Authority	GA Reliever	Business
Centennial Airport (APA)	Englewood, CO	Arapahoe County Public Airport Authority	GA Reliever	Business
Eastern West Virginia Regional Airport (MRB)	Martinsburg, WV	Eastern West Virginia Regional Airport Authority	GA Reliever	Business
Addison Airport (ADS)	Addison, TX	Town of Addison	Reliever	Business
Scottsdale Airport (SDL)	Scottsdale, AZ	City of Scottsdale	Reliever	Business
Manassas Regional Airport / Harry P. Davis Field (HEF)	Washington, DC	City of Manassas	Reliever	Business
Chicago Executive Airport (PWK)	Wheeling, IL	Village of Wheeling and City of Prospect Heights	Reliever	Business
Norwood Memorial Airport (OWD)	Norwood, MA	Town of Norwood	Reliever	Business
Albert Whitted Airport (SPG)	St. Petersburg, FL	City of St. Petersburg	Reliever	Business
Mesquite Metro Airport (HQZ)	Mesquite, TX	City of Mesquite	Reliever	Flight Training

NOTES: Primary use was derived from assessing the itinerant and local operations. If more itinerant operations were present, then the airport was assumed to serve more business aviation operations.

NPIAS – National Plan of Integrated Airport Systems

GA – General Aviation

SOURCES: US Department of Transportation, Federal Aviation Administration, *Appendix A: Existing NPIAS Airports (2017-2021)*, March 2020; US Department of Transportation, Federal Aviation Administration, *Current Airport Master Record Form 5010-1*, 2020; US Department of Transportation, Federal Aviation Administration, *Terminal Area Forecast*, <https://taf.faa.gov/> (accessed March 2020).

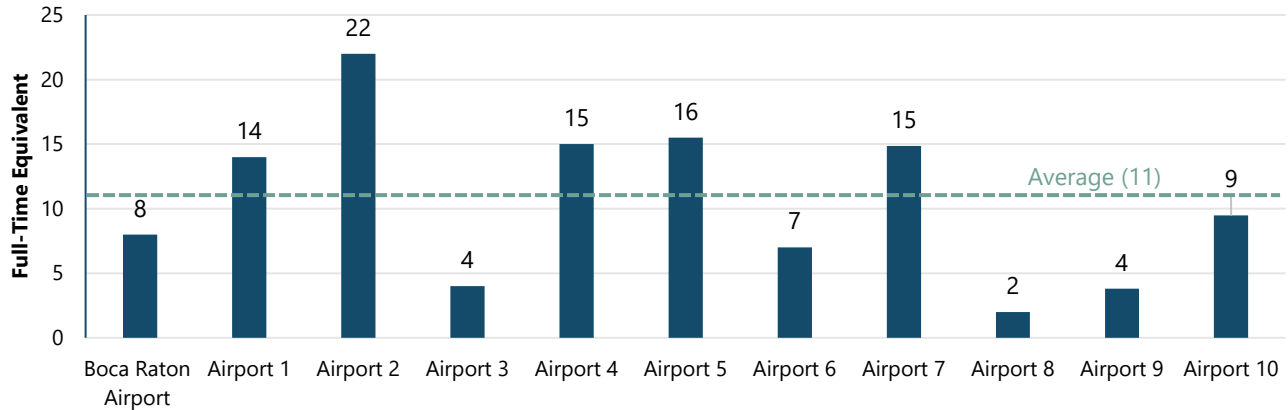
Although airport sizes ranged from 119 to 1,400 acres and total operations during 2018 from 31,863 to 340,721 the staffing level at these airports averaged 10 full-time employees (FTE). **Exhibit 4-3** shows the FTE numbers for this sample. On average, operating expenses were \$2.6M and operating revenues were \$3.2M for 2018. For comparison, BCT operating expenses were \$2.4M and operating revenues were \$4.0M for 2018. BCT was slightly under the average for expenses and over the average for revenues in this sample, despite having fewer than the average number of staff members. The revenue per FTE metrics across the sample are shown on **Exhibit 4-4**.

According to the FAA's Terminal Area Forecast, the average number of aircraft operations for this sample of airports in 2018 was 108,361. BCT had 73,334 total operations. The average number of operations per FTE for this sample

⁷ Federal Aviation Administration, *Airport Categories*, July 2020.

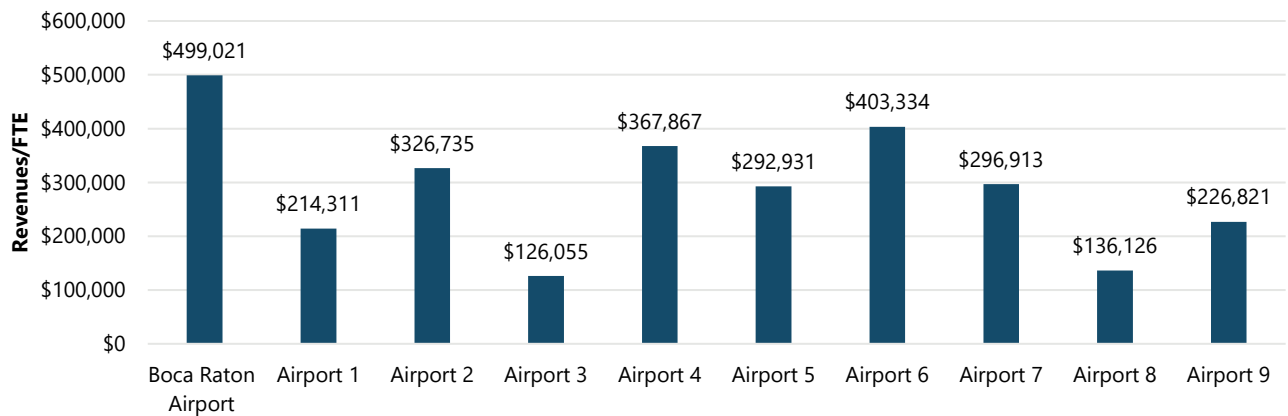
was 12,390. BCT’s operations per FTE was 9,167, or slightly below the average. **Exhibit 4-5** shows the operations per FTE metrics for BCT and the sampled airports.

EXHIBIT 4-3 FULL-TIME EQUIVALENT POSITIONS FOR STAFFING AIRPORT SAMPLE (AS OF 2018)



SOURCES: Boca Raton Airport Authority, Operating and Capital Budgets Fiscal Year 2020, 2019; Allegheny County Airport Authority, 2019 Budget, 2018; Arapahoe County Public Airport Authority, Financial Statements Years Ended December 31, 2018 and 2017, 2018; Arapahoe County Public Airport Authority, Proposed Annual Budget for the Fiscal Year 2019, December 2018; Eastern West Virginia Regional Airport Authority (EWRVRAA), Profit Loss Budget vs. Actual, June 2019; Town of Addison, Budget Book 2018/2019, 2019; City of Scottsdale, Volume Two Division Operating Budget FY 2018/2019 Budget, 2019; City of Scottsdale, Volume One Budget Summary (FY2018/2019 Budget), 2019; City of Manassas, FY 2019 Proposed Budget, 2019; Cities Of Wheeling and Prospect Heights, FY 2019 Annual Budget, 2019; Norwood Finance Commission, Norwood Memorial Airport Revenue and Expense Trends FY19 Update, 2019; City of St. Petersburg, Fiscal Year 2019 Adopted Budget, 2019; City of Mesquite, Operating and Capital Budget 2019 - 2020 Fiscal Year, 2019.

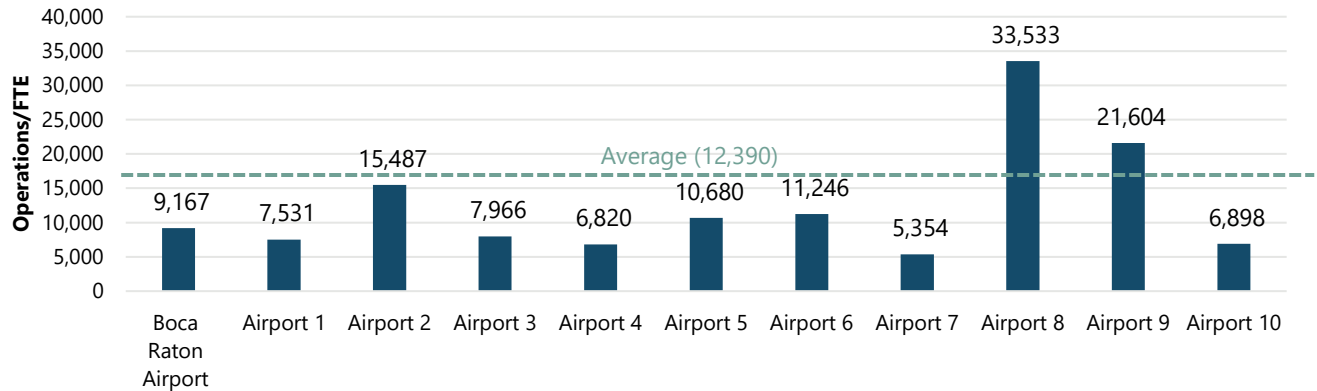
EXHIBIT 4-4 REVENUE PER FULL-TIME EQUIVALENT POSITION (AS OF 2018)



NOTE: Airport 10 budget items were not comparable to the other airports.

SOURCES: Boca Raton Airport Authority, Operating and Capital Budgets Fiscal Year 2020, 2019; Allegheny County Airport Authority, 2019 Budget, 2018; Arapahoe County Public Airport Authority, Financial Statements Years Ended December 31, 2018 and 2017, 2018; Arapahoe County Public Airport Authority, Proposed Annual Budget for the Fiscal Year 2019, December 2018; Eastern West Virginia Regional Airport Authority (EWRVRAA), Profit Loss Budget vs. Actual, June 2019; Town of Addison, Budget Book 2018/2019, 2019; City of Scottsdale, Volume Two Division Operating Budget FY 2018/2019 Budget, 2019; City of Scottsdale, Volume One Budget Summary (FY2018/2019 Budget), 2019; City of Manassas, FY 2019 Proposed Budget, 2019; Cities Of Wheeling and Prospect Heights, FY 2019 Annual Budget, 2019; Norwood Finance Commission, Norwood Memorial Airport Revenue and Expense Trends FY19 Update, 2019; City of St. Petersburg, Fiscal Year 2019 Adopted Budget, 2019; City of Mesquite, Operating and Capital Budget 2019 - 2020 Fiscal Year, 2019.

EXHIBIT 4-5 OPERATIONS PER FULL-TIME EQUIVALENT POSITION (AS OF 2018)



SOURCES: Boca Raton Airport Authority, Operating and Capital Budgets Fiscal Year 2020, 2019; Allegheny County Airport Authority, 2019 Budget, 2018; Arapahoe County Public Airport Authority, Financial Statements Years Ended December 31, 2018 and 2017, 2018; Arapahoe County Public Airport Authority, Proposed Annual Budget for the Fiscal Year 2019, December 2018; Eastern West Virginia Regional Airport Authority (EWRVRAA), Profit Loss Budget vs. Actual, June 2019; Town of Addison, Budget Book 2018/2019, 2019; City of Scottsdale, Volume Two Division Operating Budget FY 2018/2019 Budget, 2019; City of Scottsdale, Volume One Budget Summary (FY2018/2019 Budget), 2019; City of Manassas, FY 2019 Proposed Budget, 2019; Cities Of Wheeling and Prospect Heights, FY 2019 Annual Budget, 2019; Norwood Finance Commission, Norwood Memorial Airport Revenue and Expense Trends FY19 Update, 2019; City of St. Petersburg, Fiscal Year 2019 Adopted Budget, 2019; City of Mesquite, Operating and Capital Budget 2019 - 2020 Fiscal Year, 2019. Federal Aviation Administration Terminal Area Forecast, Accessed May 2020.

4.3.3 LAND USE ANALYSIS

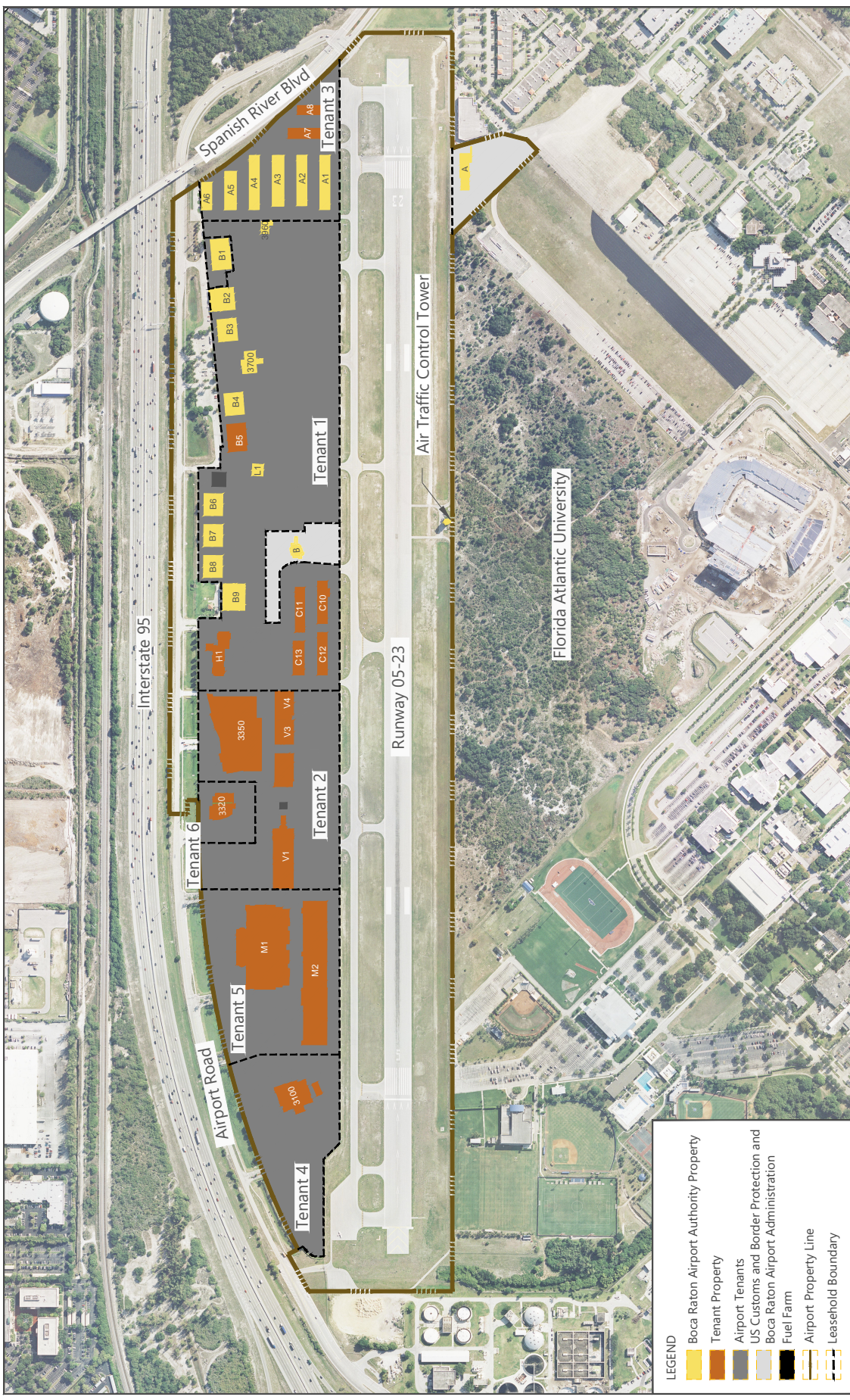
As part of this SBP update, the Committee evaluated existing parcels within the BCT property boundary to improve land development. BCT is limited in its ability to expand due to the bordering interstate highway and current development of the surrounding land. Since land revenues are also the largest revenue source, the Committee wanted to ensure proposed initiatives and actions considered appropriate use of developable assets. The Committee first reviewed the existing lease terms and then discussed conditions that may affect future land development. The Committee identified the need for a financial model that considers various scenarios per leasehold for future land development.

4.3.3.1 CURRENT LEASEHOLDS

BCT has 6 prime tenants and 11 subtenants.

Both aeronautical and nonaeronautical businesses operate at the Airport. Ownership of the buildings is currently split between BRAA-owned and tenant-owned buildings. **Exhibit 4-6** shows the distribution of BRAA-owned and tenant-owned buildings. On **Exhibit 4-7**, the land is divided into the six parcels, and the tenant numbers correlate with the other exhibits and tables in this section. Although the lease agreements vary per prime tenant, the BRAA generally collects land rent from all tenants and collects building rent on all BRAA-owned buildings. **Table 4-5** summarizes the term dates, extensions, and additional revenues earned for each prime leasehold. Lease agreements will expire in 13 to 50 years, depending on whether tenant extensions are exercised.

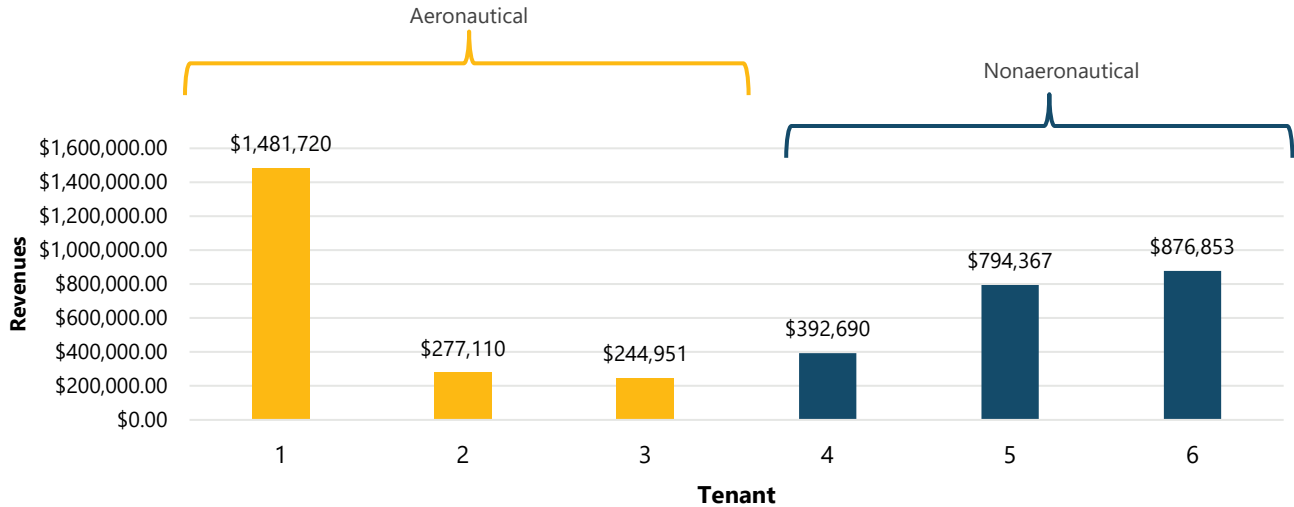
Exhibit 4-4 shows the revenue earnings per tenant and the aeronautical or nonaeronautical business type for fiscal year (FY) 2018. The tenant numbers in Table 3-5 correlate with the tenant numbers on this exhibit. As shown, Tenant 1 currently provides the BRAA with the most revenue. This tenant also pays fuel flowage fees, which is the third-largest revenue source after nonaeronautical land rent and aeronautical land rent. Collectively, nonaeronautical prime tenants generated comparable revenues to aeronautical prime tenants.



SOURCES: Boca Raton Airport Authority, January 2020; Boca Raton Airport Authority, Airport Layout Plan, 2019; Ricondo & Associates, Inc., 2020.



EXHIBIT 4-7 FY 2018 REVENUES PER LEASEHOLD



SOURCE: Boca Raton Airport Authority, January 2020.

TABLE 4-5 CURRENT LEASEHOLD TERMS

TENANT	BUSINESS TYPE	TERM DATE	EXTENSIONS	ADDITIONAL REVENUE
1	Aeronautical	6/30/2033 ¹	N/A	Fuel flowage
2	Aeronautical	9/26/2035	3 Optional 5-Year Extensions	Fuel flowage, rental car fees, and 5 percent of nonaeronautical rent receivable for nonaeronautical subleases
3	Aeronautical	9/30/2031	N/A	
4	Nonaeronautical	5/31/2041	May negotiate extension during first 6 months of 2040	
5	Nonaeronautical	3/1/2032	3 Optional 5-Year Extensions	
6	Nonaeronautical	11/30/2038	3 Optional 5-Year Extensions	

NOTES: N/A –Not Applicable

1 This prime tenant has a special lease for building H1, which reverts to the Authority on May 6, 2034.

SOURCE: Boca Raton Airport Authority, January 2020.

4.3.3.2 LAND DEVELOPMENT CONSIDERATIONS

Owners and operators of GA airports are tasked with balancing the following: serving the aviation community, generating enough revenue to comply with the FAA mandate to be self-sustaining, and serving as an asset to the local community.

The Committee reviewed the existing leaseholds and land uses at BCT to assess current land uses and identify Airport land development strategies. The development of land at BCT is highly strategic due to the constrained and fully developed footprint of the Airport. As all developable parcels are currently leased to tenants, opportunities to redevelop facilities can only happen when a lease agreement reaches its term or when a leasehold reverts to the Authority, for example in the event of a bankruptcy proceeding or lease buy-back. These opportunities are limited and should be carefully weighed by the Authority.

In FY 2018, rent revenues represented slightly more than 80% of the total BRAA revenues. Building and hangar rent represented approximately 25% of the total rent revenues. It is also important for the Authority to recognize that, although buildings and hangars can provide significant revenues, these revenues will end when the facilities reach their useful life.

The location of BCT offers Airport Management certain unique development opportunities. Few airports in the country are located near a high traffic interstate highway like BCT's boundary that borders I-95. **Exhibit 4-8** shows BCT and five other airports that border a major interstate highway. Despite their similarities, it is difficult to compare these airports to BCT as other factors differ greatly, including airport size, commercial use and urban environment setting. For instance, Shelby County Airport borders I-65 but does not have any nonaeronautical development due to its very limited property of 125 acres. All land available is developed for aviation facilities. At other airports like Auburn University Regional Airport or Fort Worth Alliance Airport, while an interstate highway borders the airport property, few airport parcels are visible by the interstate highway traffic. Key land uses on parcels visible from the interstate highway at these airports include:

- office facilities
- logistic facilities
- industrial facilities
- retail businesses
- restaurants
- hotels
- car dealerships

Land related decisions can be guided by data modeling. The use of a model allows to evaluate and compare development scenarios (new lease, lease renewals) with varying input parameters such as type of use (aeronautical, nonaeronautical), existing improvements and market rates. A systematic land development approach will assist with decision-making by the Authority Board and Airport Management.

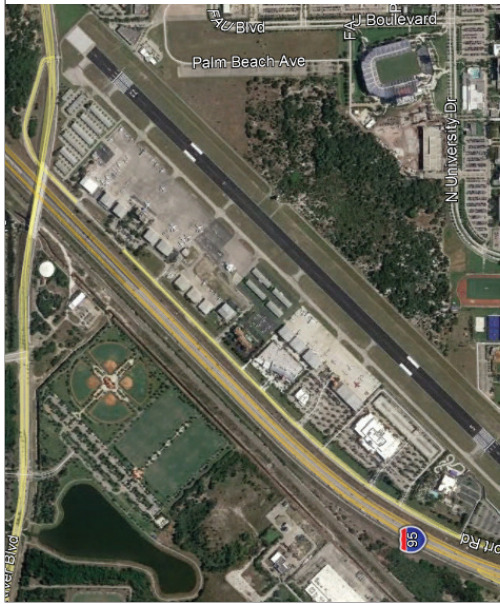
5. PEER AIRPORTS BEST PRACTICES

Similar domestic and international airports were analyzed to reaffirm sound business practices at BCT and to enable the Committee and Authority Board to review best practices, strategies, and initiatives implemented at other airports. Information gathered from airport executive responses and other resources helped the Committee finalize several strategic initiatives and actions.

5.1 CRITERIA FOR SELECTION

The main determinants for selection for the benchmark of airports similar to BCT were:

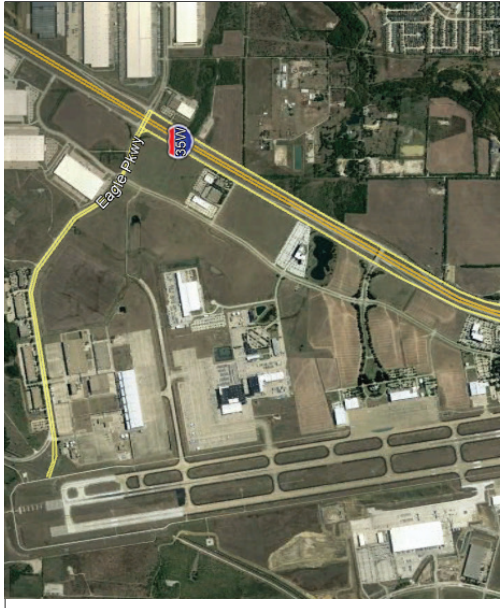
- one-runway airport
- land constrained
- airport size
- significant seasonal or year-round corporate traffic



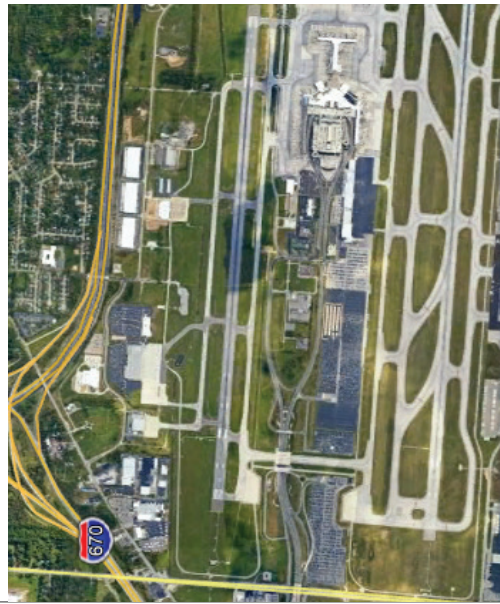
Boca Raton Airport (BCT)
Boca Raton, FL



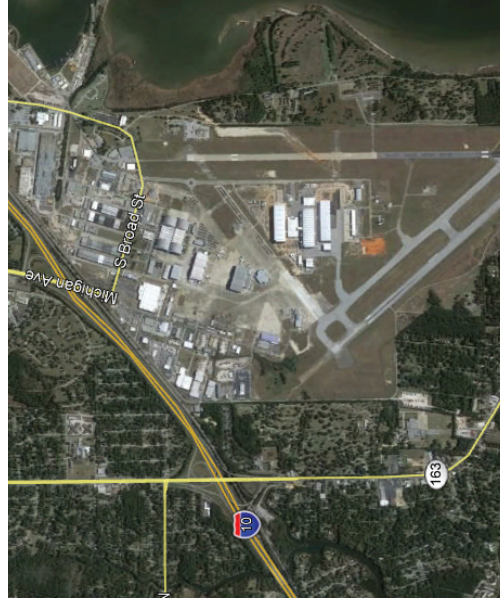
Auburn University Regional Airport (AUO)
Auburn, AL



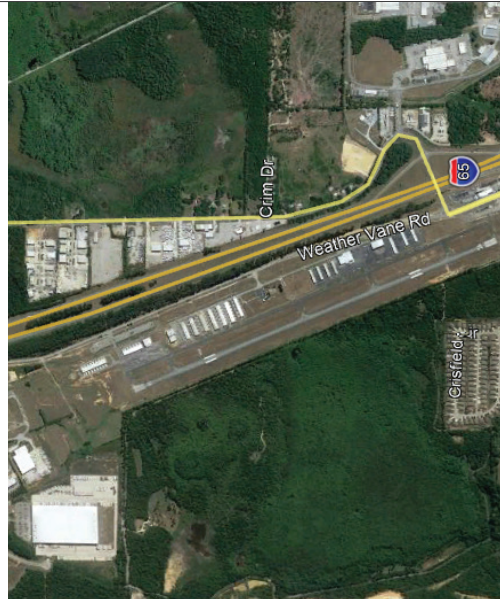
Fort Worth Alliance Airport (AFW)
Fort Worth, TX



John Glenn Columbus International Airport (CMH)
Columbus, OH



Mobile Downtown Airport (BFM)
Mobile, AL



Shelby County Airport (EET)
Calera, AL

SOURCE: Google Earth Pro, 2020 (aerial photography – for visual reference only, may not be to scale); Google Earth Pro, 2019 (aerial photography – for visual reference only, may not be to scale); Google Earth Pro, 2018 (aerial photography – for visual reference only, may not be to scale); TerraMetrics, 2019 (aerial photography – for visual reference only, may not be to scale).



0 Not To Scale

EXHIBIT 4-8

GENERAL AVIATION AIRPORTS BORDERING INTERSTATE HIGHWAY

While not all airports possessed each of these characteristics, many had one or more of these characteristics. Nine airports were selected for this review of best practices. Although Geneva Airport (GVA) and London Luton Airport (LTN) operate under different laws and standards, the Committee and Authority Board felt there may be some value in assessing international airports with high corporate traffic. These airports are challenged regularly to efficiently accommodate a large amount of aircraft. **Table 5-1** compares the seven domestic and two international airports across several factors.

5.2 AIRPORT SCAN RESULTS

The peer airport benchmark yielded insights on staffing and training, revenues and expenses, land management, innovative practices, and strategic initiatives.

5.2.1 STAFFING AND TRAINING

Position information listed in **Table 5-2** through **Table 5-5** shows that Addison Airport (ADS), Chicago Executive Airport (PWK), Centennial Airport (APA), and Scottsdale Airport (SDL) have more personnel than BCT. Many of these additional positions are in multiple airports. They include:

- Maintenance Manager/Technician
- Aviation Plan and Outreach Coordinator
- Media and Communications Manager
- Real Estate Manager
- Leasing Manager
- Senior Management Analyst
- Senior Planner – Noise and Environmental

Although there are various factors that lead to hiring a new staff member, the initial comparison of BCT with these airports reveals that BCT has fewer staff. More information should be gathered to assess whether more staff is needed to achieve the Airport's Mission and realize its Vision.

In addition to personnel information, SDL provided information on training practices. For recurrent and new employee training, SDL staff uses online aviation training platforms. Aviation professional organizations have created training programs to help airports meet their recurrent training and new-hire FAA training requirements. BCT currently uses these programs as well. With an increased reliance on online training platforms and a general move away from in-person training seminars due to the convenience that online platforms offer, these platforms may continue to gain favor among airport sponsors.

TABLE 5-1 AIRPORT BENCHMARK – SELECTED AIRPORTS

AIRPORT (CODE)	NPIAS CATEGORY	SIZE (ACRES)	LAND CONSTRAINED	RUNWAYS	BASED AIRCRAFT	ITINERANT OPERATIONS	LOCAL OPERATIONS	TOTAL OPERATIONS	PRIMARY USE	OWNERSHIP
Boca Raton Airport (BCT)	GA Reliever	214	Yes	1	212	47,742	25,592	73,334	Business	Boca Raton Airport Authority
Addison Airport (ADS)	GA Reliever	368	Yes	1	621	100,295	1,999	102,294	Business	Town of Addison
Allegheny County Airport (AGC)	GA Reliever	432	Yes	2	92	47,271	10,898	58,169	Business	Allegheny County Airport Authority
Chicago Executive Airport (PWK)	GA Reliever	411	Yes	3	176	58,621	20,883	79,504	Business	Village of Wheeling and City of Prospect Heights
Centennial Airport (APA)	GA Reliever	1,400	Yes	3	837	175,686	165,035	340,721	Business / Flight Training	Arapahoe County Public Airport Authority
Key West International Airport (EYW)	Non-Hub	334	Yes	1	32	47,936	4,202	52,138	Commercial	Monroe County
Scottsdale Airport (SDL)	GA Reliever	282	Yes	1	378	105,764	59,781	165,545	Business	City of Scottsdale
Westchester County Airport (HPN)	Small Hub	702	No	2	279	144,104	17,096	161,200	Commercial	County of Westchester
Geneva Airport (GVA)	Commercial	230	Yes	2	-	-	-	187,162	Commercial / Business	City of Geneva
London Luton Airport (LTN)	Commercial	484	Yes	1	-	-	-	136,270	Commercial / Business	Private Consortium

NOTES: Data shown are for 2018.

NPIAS – National Plan of Integrated Airport Systems

SOURCES: US Department of Transportation, Federal Aviation Administration, *Appendix A: Existing NPIAS Airports (2017-2021)*, March 2020; US Department of Transportation, Federal Aviation Administration, *Current Airport Master Record Form 5010-1*, 2020; US Department of Transportation, Federal Aviation Administration, *Terminal Area Forecast, March 2020*; City of Geneva, *Statement of Geneva Airport Annual Report 2018*, [https://www.gva.ch/en/Downloads/Aerport/2017_Statistiques-Geneve-Aerport-\(1\).pdf?text=](https://www.gva.ch/en/Downloads/Aerport/2017_Statistiques-Geneve-Aerport-(1).pdf?text=) (accessed June 2020); London Luton Airport Operations Limited, *Monthly Passenger and Statistics Report*, <https://www.london-luton.co.uk/LondonLuton/files/14/142bc3f7-0e7b-4c14-bf26-b3c8496c335d.pdf> (accessed March 2020).

TABLE 5-2 ADDISON AIRPORT POSITIONS (AS OF 2020)

POSITIONS	TOTAL FULL-TIME EQUIVALENT
Airport Director	1.0
Deputy Director	1.0
Office Manager	1.0
Operations Manager	1.0
Maintenance Manager	1.0
Management Assistant	1.0
Maintenance Technician	4.0
Light Maintenance / Janitorial	1.0
Real Estate Manager	1.0
Accounting Manager	1.0
Leasing Manager	1.0
Real Estate Asset Manager	1.0
	15.0

SOURCE: Joel Jenkinson, Addison Airport Director, *Addison Airport Management Organizational Chart*, June 2020.

TABLE 5-3 CHICAGO EXECUTIVE AIRPORT POSITIONS (AS OF 2020)

POSITIONS	TOTAL FULL-TIME EQUIVALENT
Executive Director	1.0
Director of Economic Development	1.0
Director of Finance	1.0
Executive Secretary	1.0
Administrative Assistant	1.0
Management Intern	0.6
Airport Operations and Maintenance Supervisor	1.0
Assistant of Airport Operations	1.0
Maintenance Lead	1.0
Maintenance Technician	5.0
Seasonal Summer Positions	1.0
Seasonal Plow Driver	0.25
	14.85

SOURCE: Cities of Wheeling and Prospect Heights, Who We Are, <https://www.chiexec.com/who-we-are/> (accessed April 21, 2020).

TABLE 5-4 CENTENNIAL AIRPORT POSITIONS (AS OF 2020)

POSITIONS	TOTAL FULL-TIME EQUIVALENT
Executive Director	1.0
Assistant Airport Director	1.0
Director of Administration	1.0
Business Support Specialist	1.0
Sr. Administrative Assistant	1.0
Administrative Assistant	1.0
Chief Financial Officer	1.0
Senior Accountant	1.0
Media and Communications Manager / Public Information Officer	1.0
Director of Planning and Development	1.0
Senior Planner and Special Projects Coordinator	1.0
Senior Planner – Noise and Environmental	1.0
Director of Operations	1.0
Operations Supervisor	3.0
Operations Specialist	1.0
Director of Maintenance	1.0
Maintenance Supervisor	1.0
Senior Maintenance Tech – Fleet	1.0
	20.0

SOURCE: Arapahoe County Public Airport Authority, Staff Directory, <http://www.centennialairport.com/index.php/about/staff-directory> (accessed March 2020).

TABLE 5-5 SCOTTSDALE AIRPORT POSITIONS (AS OF 2020)

POSITIONS	TOTAL FULL-TIME EQUIVALENT
Aviation Director	1.0
Aviation Director Assistant	1.0
Aviation Finance and Administration Manager	1.0
Management Analyst Senior	1.0
Intern	0.47
Aviation Plan and Outreach Coordinator	1.0
Airport Operations Supervisor	1.0
Airport Operations Tech I	4.0
Airport Operations Tech II	4.0
Airport Maintenance Technician	1.0
	15.47

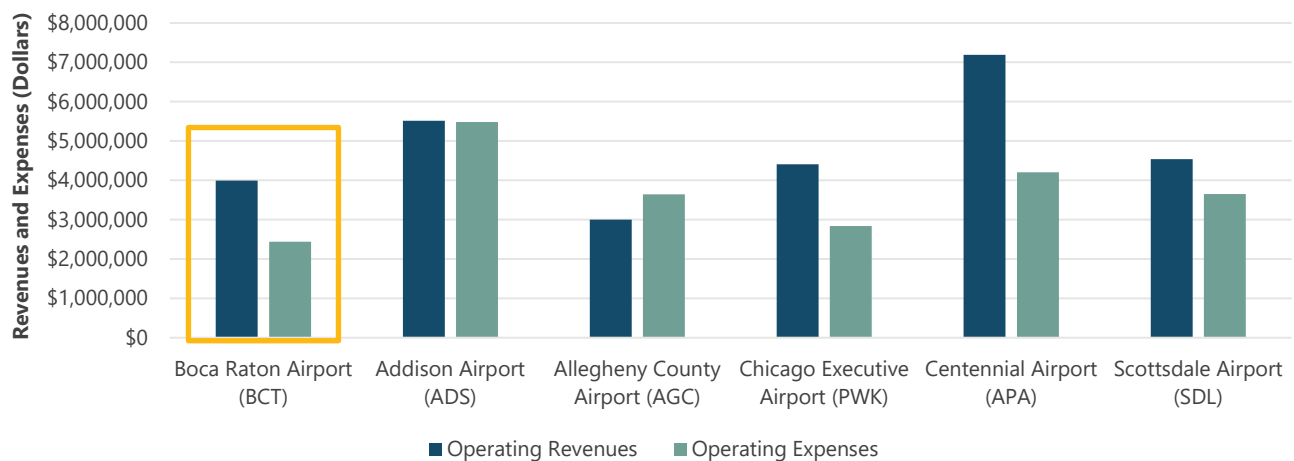
SOURCE: City of Scottsdale, *Volume Two Division Operating Budget FY 2018/2019 Budget*, https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Finance/Archive/FY+1953-54+through+FY+2018-19/FY_2018-19_Volume_2_Division_Operating_Budget.pdf (accessed March 2020).

5.2.2 REVENUES AND EXPENSES

The two key takeaways from reviewing the budget information for the benchmark airports were the following: most airports had more revenues than expenses in 2018 and many airports have similar revenue sources.

Exhibit 5-1 compares the BCT fiscal year 2018 revenues and expenses with ADS, AGC, PWK, APA, and SDL. As shown, BCT, PWK, APA, and SDL had more revenues than expenses. Rent revenue, fuel flowage, airport fees, and concessions were the primary revenue sources. Airports generated most of their revenues from either airport fees or the combination of real estate and fuel flowage. BCT and ADS were very similar in their revenue diversification. In fact, land rent revenue made up around 80.0 percent of total revenues in 2018 for both airports. Fuel flowage fees for BCT and ADS represented 12.8 percent and 16.9 percent of total revenues, respectively.

EXHIBIT 5-1 FISCAL YEAR 2018 REVENUES AND EXPENSES

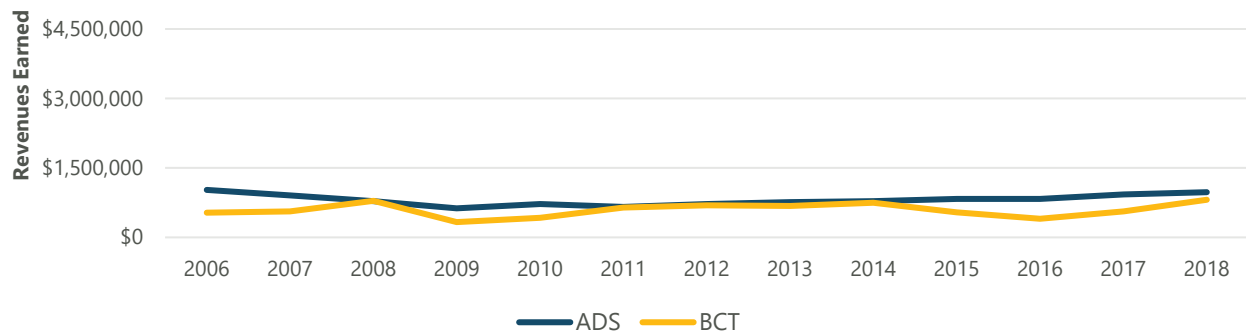


NOTE: At Addison Airport, AECOM receives an annual base management fee of \$170,000, plus 2.5 percent of revenue collected in excess of \$4 million. SAMI Management, Inc. receives an annual base management fee of \$120,000, with financial incentives for realizing increased revenues for the airport.

SOURCES: Boca Raton Airport Authority, *Operating and Capital Budgets Fiscal Year 2020*, 2019; Town of Addison, *Budget Book 2018/2019*, 2019; Allegheny County Airport Authority, *2019 Budget*, 2018; Cities of Wheeling and Prospect Heights, *FY 2019 Annual Budget*, 2019; Arapahoe County Public Airport Authority, *Financial Statements Years Ended December 31, 2018 and 2017*, http://www.centennialairport.com/images/111-FINANCE/Arapahoe_County_Public_Airport_Authority_FS_12.31.18.pdf (accessed March 2020); Arapahoe County Public Airport Authority, *Memorandum: Proposed Annual Budget for the Fiscal Year 2019*, https://www.centennialairport.com/images/111-FINANCE/Proposed_Budget_2019.pdf (accessed March 2020); City of Scottsdale, *Volume Two Division Operating Budget (FY 2019/2019 Budget)*, https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Finance/Archive/FY+1953-54+through+FY+2018-19/FY_2018-19_Volume_2_Division_Operating_Budget.pdf (accessed March 2020); City of Scottsdale, *Volume One Budget Summary (FY 2019/2020 Budget)*, *Volume One Budget Summary FY 2019/2020*, <https://www.scottsdaleaz.gov/Assets/ScottsdaleAZ/Finance/Archive/FY+2019-20/FY2019-20Volume1BudgetSummary.pdf> (accessed March 2020).

Information on past land revenue and fuel flowage earnings was available for BCT and ADS. **Exhibit 5-2** depicts the fuel flowage revenue, and **Exhibit 5-3** depicts the land rent revenue. As shown, the fuel flowage has more fluctuation than the land rent. Collectively, the two charts show that land rent is a more consistent and reliable revenue source.

EXHIBIT 5-2 BOCA RATON AIRPORT AND ADDISON AIRPORT FUEL FLOWAGE REVENUES (2006–2018)



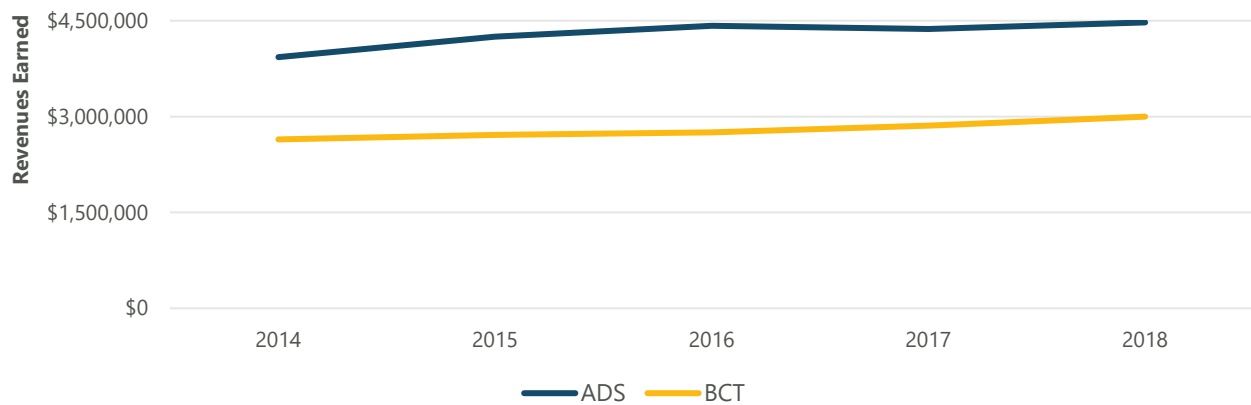
NOTES:

ADS – Addison Airport

BCT – Boca Raton Airport

SOURCES: Boca Raton Airport Authority, *Operating and Capital Budgets Fiscal Year 2020, 2019*; Town of Addison, *Budget Book 2018/2019, 2019*; Allegheny County Airport Authority, *2019 Budget, 2018*.

EXHIBIT 5-3 BOCA RATON AIRPORT AND ADDISON AIRPORT LAND RENT REVENUES (2014–2018)



NOTES:

ADS – Addison Airport

BCT – Boca Raton Airport

SOURCES: Boca Raton Airport Authority, *Operating and Capital Budgets Fiscal Year 2020, 2019*; Town of Addison, *Budget Book 2018/2019, 2019*; Allegheny County Airport Authority, *2019 Budget, 2018*.

5.2.3 LAND MANAGEMENT

At ADS, management staff have taken deliberate steps to maximize the greatest and best use of the airport’s 368 acres. ADS organizational hierarchy, data-driven decision-making, and tenant diversification have allowed airport managerial staff to successfully manage ADS’s land assets. From a human resources point of view, the sponsor of ADS values property management. One of its current management contracts is solely focused on real estate management, requiring a team of individuals to handle land leases and related business. The other team oversees

the day-to-day operations and maintenance of the airport. In its 2013 SBP,⁸ the airport sponsor identified the need for a financial modeling tool to identify opportunities with land management. After developing this model, staff was able to test various scenarios and use data to decide on matters such as whether to extend a lease in exchange for capital improvements or to allow control of the property to revert to airport control for future airport development. At ADS, there are currently over 50 buildings with at least one, and sometimes multiple tenants. The types of businesses that tenants conduct include:

- aircraft maintenance
- flight instruction
- pilot shop
- charter
- FBO
- car rental
- aviation insurance

The diversity in the type of tenants at ADS has allowed the sponsor to maintain economic self-sustainability throughout economic cycles.

5.2.4 INNOVATIVE PRACTICES

GVA, in Switzerland, is a 230-acre airport next to the French border. The airport has one runway and regular corporate traffic like BCT. Expansion limits exist because of the French–Swiss border location and the surrounding Le Grand–Saconnex city location. As such, Airport Management has implemented innovative practices and procedures to accommodate the high number of commercial and GA operations.

The airport operates under a concession agreement from the Swiss Federal Department of Transportation. Per this agreement, the airport sponsor must prioritize scheduled, commercial operations over any other type of operation. Over the last five years, commercial operations have increased more rapidly than business aviation operations. To accommodate this growth, the airport sponsor has implemented the practice of Prior Permission is Required (PPR) for GA operations. This means that any GA operation must provide an intent to land at the airport to reserve a predetermined slot. Slots are available 5 days in advance, and there is a minimum guaranteed number of business aviation slots available each day.

GVA also operates with an airport operations center (APOC) and implements the principles of collaborative decision-making (CDM). The two concepts complement each other. An APOC is the practice of housing all information technology systems that support airport operations in one place or system that is accessible by pertinent personnel. CDM promotes collaboration among the multiple roles required for effective airport operation. These roles include air traffic controllers, aircraft and airport operators, and ground handlers. The aim of CDM is to promote transparency and collaboration so that information is accessible in-real time and better decision-making can occur.

⁸ Town of Addison, *Addison Airport Strategic Plan*, <https://addisontexas.net/sites/default/files/fileattachments/airport/page/4141/addison-airport-strategic-plan-2013.pdf> (accessed March 2020).

5.2.5 STRATEGIC INITIATIVES

The intent of analyzing other airports for best practices was to help the Committee finalize strong strategic initiatives. Since airports do not operate in a closed system, it is important to consider other airports in a SBP. This ensures proposed initiatives and changes are in line with industry trends, so the plan can be flexible. If changes have already occurred at similar airports, they are likely to affect BCT. The same applies to strategic initiatives. Often these initiatives are forward-thinking and present proactive actions to address future problems. Strategic initiatives of the airports reviewed highlighted the following themes:

- communicating airport value to local community
- responsible management of airport assets
- effectively and efficiently managing airport operations to improve the passenger experience

Table 5-6 presents the initiatives of ADS, Key West International Airport (EYW), GVA, and LTN.

TABLE 5-6 STRATEGIC INITIATIVES

AIRPORT (CODE)	STRATEGIC INITIATIVES
Addison Airport (ADS)	<ol style="list-style-type: none"> 1. Continue to enhance the airport's overall value for the benefit of stakeholders 2. Fully integrate the airport with the town of Addison 3. Continue to promote industry-leading practices in all aspects of airport management, development, operations, and maintenance
Key West International Airport (EYW)	<ol style="list-style-type: none"> 1. Responsible management of physical infrastructure and capital assets; safe, well-maintained enterprising air transportation facilities
Geneva Airport (GVA)	<ol style="list-style-type: none"> 1. Platform Operability: optimize processes and adapt infrastructures to efficiently and effectively manage aircraft traffic, as well as the flow of passengers and baggage 2. Customer Satisfaction: improve platform users' experience by ensuring the quality and diversity of airline connections, services and by facilitating their accessibility 3. Economic Sustainability: consolidate and evolve business model, values know-how, and investments in order to bear the costs necessary for the continuation and development of activities 4. Human Resource and Skill Management: develop a policy as a responsible employer and corporate citizen and place the human resource at the core of development 5. Affirmation of Responsible Identity: defend values that are assumed by all employees and share them with partners and the public; at the same time, implements them consistently in all actions
London Luton Airport (LTN)	<ol style="list-style-type: none"> 1. To make the best use of the existing runway at LTN by increasing its capacity to around 50 movements per hour—potentially supporting in the region of 36 to 38 million passengers per year, or 240,000 aircraft movements per year 2. To ensure the economic benefits reach local and sub-regional communities and economies

SOURCES: Town of Addison, *Addison Airport Strategic Business Plan*, <https://addisontexas.net/sites/default/files/fileattachments/airport/page/4141/addison-airport-strategic-plan-2013.pdf> (accessed March 2020); Monroe County, *Strategic Plan 2013-2018*, October 2013; City of Geneva, About Us – Information About Geneva Airport, gva.ch/en/Site/Geneve-Aeroport/Entreprise/Strategie-vision-valeurs (accessed May 2020); London Luton Airport Operations Limited, *London Luton Airport Vision for Sustainable Growth 2020-2050*, <https://www.llal.org.uk/Documents/vision2020-2050.pdf> (accessed May 2020).

6. MISSION, VISION, AND VALUES

The Mission, Vision, and Values are integral to how an organization operates and interacts with its stakeholders. Together, these set the tone for how an organization wants to be viewed and how it wants its employees to act.

The Mission provides a more operational statement on what an airport sponsor does and the customers it serves.⁹ The Vision, on the other hand, is conveyed through a future-oriented statement that describes an inspirational ideal state for an airport. The Values describe an airport's culture and how its staff members interact with each other and with airport stakeholders.

For this SBP update, it was important to gather information on the Airport to understand how it operates. Sections 3, 4, and 5 present all the information reviewed by the Committee. Once a general understanding of the Airport's current state was achieved, the Committee then focused on the Airport's future. Since the 2011 SBP already established Mission and Vision statements and a set of Values, the Committee evaluated if these statements and Values were still relevant.

6.1 2011 AND 2016 STRATEGIC BUSINESS PLAN MISSION, VISION, AND VALUES

BCT has been operating under the current Vision and Mission statements and set of Values since the 2011 SBP. The following are the 2011 SBP Vision, Mission, and Values:

2011 SBP Mission:

The Boca Raton Airport Authority operates a first-class Public Use General Aviation facility dedicated to embracing our core values; promoting safety, efficiency, and environmental excellence; and advancing aeronautical and economic benefits to our Business and Regional Communities.

2011 SBP Vision:

To be a world class Public Use General Aviation facility that benefits our growing business and regional communities.

2011 SBP Values:

- Integrity
- Quality
- Leadership
- Collaboration

In 2016, the BRAA and Management Team added a new Value:

- People

⁹ National Academies of Sciences, Engineering, and Medicine, Strategic Planning in the Airport Industry, <https://doi.org/10.17226/14339> (accessed March 2020).

6.2 REVISED MISSION, VISION, AND VALUES

The Committee reviewed each statement and the set of Values and discussed their relevance in the context of the current operational and business environment.

The Mission statement remained largely unchanged as the Committee agreed it adequately captured the Authority’s role. The Committee modified the final phrase from “our Business and Regional Communities” to “our business and community stakeholders” to improve clarity.

Although the Vision and Mission statements appeared similar, and the Committee agreed that the Mission remained relevant. The Committee wished to establish a new Vision that could be more aspirational. The Committee members also discussed having a shorter statement that emphasized delivering excellence. After creating and reviewing several statements, the Committee settled on “To deliver excellence in all we do.”

The Committee found the Values to still be relevant and powerful. Through a group discussion, however, a few changes were made to clarify some Values. “Quality” was replaced with “excellence” to complement the newly established Vision statement and provide more detail on the kind of quality Airport Management should strive to achieve. “People” was added in the 2016 SBP review. The Committee found that the word by itself was not descriptive enough and, therefore, proposed changing the value to “respect.” The Committee wanted to emphasize the importance of respecting people in the day-to-day airport operations and when interacting with stakeholders. The last change involved reorganizing the Values according to the new Vision statement and the Committee’s priorities.

Table 6-1 compares the 2011 SBP Mission, Vision, and Values with the revised Mission, Vision, and Values for the 2020 SBP.

TABLE 6-1 UPDATED MISSION, VISION, AND VALUES

	2011 STRATEGIC BUSINESS PLAN	2020 STRATEGIC BUSINESS PLAN UPDATE
MISSION	The Boca Raton Airport Authority operates a first-class Public Use General Aviation facility dedicated to embracing our core values; promoting safety, efficiency, and environmental excellence; and advancing aeronautical and economic benefits to our Business and Regional Communities.	The Boca Raton Airport Authority operates a first-class public use general aviation facility dedicated to embracing our core values; promoting safety, efficiency, and environmental excellence; and advancing aeronautical and economic benefits to our business and community stakeholders.
VISION	To be a world class Public Use General Aviation facility that benefits our growing business and regional communities.	To deliver excellence in all we do.
VALUES	<ul style="list-style-type: none"> ▪ Integrity ▪ Quality ▪ Leadership ▪ Collaboration ▪ People 	<ul style="list-style-type: none"> ▪ Integrity ▪ Excellence ▪ Respect ▪ Leadership ▪ Collaboration

SOURCE: Ricondo & Associates, Inc., March 2020.

7. DEVELOPMENT SCENARIOS AND STRATEGIC ISSUE IDENTIFICATION

The next step of the SBP update involved simulating scenarios to help identify strategic issues inherent in BCT's current operating and business environment. The scenarios helped the Committee gain a better understanding of what would be the most likely chain of events and outcomes if certain events occurred. The development scenario analysis is not the primary tool to identify the strategic issues; rather, it is a complementing process to increase the Committee's knowledge of issues with the potential to become strategic issues. These would be the issues the Committee and Board members would address with strategic initiatives.

7.1 DEVELOPMENT SCENARIOS

In total, seven scenarios were reviewed with the Committee. The scenarios focused on events that would affect development of the Airport in some way. They were formulated based on the data collected and the input provided by the stakeholders during the SBP workshops and meetings.

Through the process, each Committee member was asked to evaluate what the best case, worst case, and most likely outcome would be for each scenario. In identifying these outcomes, the Committee identified issues common across these scenarios. These issues would then be reviewed to identify the strategic issues facing BRAA.

The following are the seven development scenarios:

1. The majority of Board members are not reappointed.
2. State grants are significantly reduced or no longer available due to lack of funding.
3. Airport leases cannot be extended past 2073.
4. Authority is asked to offer long-term lease extensions.
5. Authority has opportunity to reclaim all or part of existing leaseholds.
6. Authority successfully engages with local and state governments and surrounding landowners to expand property.
7. Community members challenge the value of the Airport to the region.

The following key outcomes resulted from the development scenario analysis:

- The continuity of governance directly impacts the effectiveness and efficiency of the Authority. Most airport projects and initiatives can take several years to be implemented. While the Authority has no control over the appointment of Authority Board members, Airport Management can continue to update City and County officials to discuss projects undertaken at BCT and to inform them on the need for continuity of knowledge and leadership. The worst-case scenario could be the change of a majority of Authority Board members within the same year. This could result in project implementation delays and could require changes in the organizational structure.
- The Authority must continue to emphasize its financial self-sustainability and resiliency. While the Authority receives State and federal funding for the development of capital projects at BCT, there have been signs in the past that this funding may not continue to be available at current levels. In this context, optimizing the use of the land at BCT and continuously and creatively looking for alternatives to further develop the Airport is

strategic. As discussed, best leasing practices and land development should remain a focus of the Authority due to their importance in supporting the Authority's financial self-sustainability and resiliency.

- The BRAA operates BCT in an urban environment. Over the last 20 years, the utility and benefits of several urban airports in the United States have been questioned by local communities. As demonstrated through the data collected for this analysis, BCT has a significant impact on the development of the region. In addition, Airport Management contributes to the life of the community and actively supports local organizations. It is important to communicate effectively through various platforms on the benefits of the Airport in addition to staff participation in local organizations. This was discussed as a factor the Authority can positively influence through strategic planning.

7.2 STRATEGIC ISSUES

According to the Airport Cooperative Research Program (ACRP) Report 20, *Strategic Planning for Airports*, a strategic issue is a fundamental policy choice affecting an organization's Mission, Vision, mandates, product, service level and mix, customers or users, financing structure, process, or management. Strategic issues have long-term effects and often require a refocus of Airport Management to be addressed. Because strategic issues can sometimes be confused for operational issues, the Committee reviewed **Table 7-1**, which compares operational and strategic issues.

TABLE 7-1 OPERATIONAL ISSUE AND STRATEGIC ISSUE COMPARISON

OPERATIONAL ISSUE	STRATEGIC ISSUE
Impacts will be felt right now	Impacts will be felt in 2 or more years
Impacts a single department	Impacts the entire Airport
Minor financial risk	Major financial risk
Will not require new service objectives and programs	Will require new service objectives and programs
Will not require changes in revenue sources	Will require changes in revenue sources
Will not require significant staff, technology, and/or facility changes	Will require significant staff, technology, and/or facility changes
Will not require changes in stakeholder relationships	Will require changes in stakeholder relationships
Best approach is easy for reaching consensus	Best approach is not easy for reaching consensus
Probable consequence of not addressing the issue is inconvenience or inefficiency	Probable consequence of not addressing the issue is major service disruption or large financial cost

SOURCE: National Academies of Sciences, Engineering, and Medicine, *Strategic Planning in the Airport Industry*, <https://doi.org/10.17226/14339> (accessed March 2020).

Through a review of the data collected, stakeholder feedback, and the development scenarios analysis, the Committee identified several internal and external strategic issues. The internal issues revolved around staffing, organization effectiveness, responsiveness, resiliency, and financial sustainability. External issues revolved around development, communications, and environmental sustainability. In total, the following seven strategic issues were identified:

1. Existing resources are insufficient to address the Authority's needs, expectations, and Vision.
2. Availability of grant funding and the dynamic nature of the industry could challenge the Authority's financial sustainability.

3. Organizational effectiveness can be vulnerable to governance changes and staff turnover.
4. Current Airport land constraints require maximizing use of land while concurrently exploring opportunities to creatively expand the land available for existing and new tenants.
5. BCT's role in and contribution to local and regional economies could be overlooked by other external factors.
6. Authority's resiliency can be threatened by frequent natural disasters and emerging man-made threats.
7. Airport environmental impacts are continuously scrutinized and questioned resulting in a need to evolve and leverage innovation.

These seven strategic issues were used to formulate the strategic initiatives.

8. STRATEGIC INITIATIVES

Strategic initiatives aim to address strategic issues, but they must also meet the following criteria:

- Be understandable and explainable.
- Be flexible/adaptable.
- Be consistent with the legal requirements of airports.
- Have predictable and acceptable effects on stakeholders.
- Be measurable and verifiable.
- Be realistic and achievable.
- The benefits of implementing the initiative must outweigh the costs.

Strategic initiatives focus on long-term problems and often require significant organizational changes to be achieved. The actions that support strategic initiatives allow staff to focus on meeting milestones that realistically position them to achieve Authority initiatives.

8.1 STRATEGIC INITIATIVES FORMULATION PROCESS

After reviewing strategic issues as part of a facilitated workshop, the Authority Board members expressed their views on possible initiatives based upon the information prepared for their review and their collective discussion of the strategic issues. The workshop, depicted on **Exhibit 8-1**, encouraged Authority Board members to not only discuss the findings but also ask questions of the Committee members and Airport Management.

EXHIBIT 8-1 BOCA RATON AIRPORT AUTHORITY STRATEGIC INITIATIVES WORKSHOP



SOURCE: Ricondo & Associates, Inc., March 2020.

After the Authority Board members reviewed the seven strategic issues identified by the Committee, they each provided one or several strategic initiatives for the Committee to consider. During the workshop, each Authority Board member allocated a priority ranking from 1 to 3 on the initiatives they felt were most important to the Authority. **Table 7-1** presents the Authority Board members' drafted initiatives and their associated priority rankings. The main themes of the ranked initiatives are the following:

- incorporating more data-driven decision-making in the day-to-day management and Authority Board decisions process
- developing effective land use and development policies
- evaluating staffing and personnel policies to achieve the Airport Vision
- communicating Airport Values to the stakeholders

Following the Authority Board workshop, the Committee leveraged the Board members' feedback and the overall input from stakeholders to formulate the SBP's strategic initiatives. The Committee also incorporated insights from the internal and external environments analysis, the SWOT analysis, and the benchmark of peer airport best practices to maximize the impact of the initiatives and supporting actions.

TABLE 8-1 AUTHORITY BOARD WORKSHOP INITIATIVES AND PRIORITY

INITIATIVE	BOARD MEMBER PRIORITY
Develop an effective decision-making model to use when making organizational decisions. Create a financially sustainable model that mitigates the effect of dwindling operating revenue sources and shifting legislative and leasing demands.	1,1,2,2
Advocate for and monitor the Airport's surrounding developments (consider use of aviation easements).	1,1,2,2
Develop a land use and environmental policy statement. Develop a land use plan that maximizes the highest and best use of the land, identifies creative development opportunities, supports financial sustainability, and addresses environmental concerns.	2,2,3
Integrate the Airport with the Boca Raton political government representatives.	2,3
Implement a more significant government affairs strategy to improve government relations and engagement from state government, county government, the Federal Aviation Administration, and trade associations.	1
Align staffing to support the Authority's long-range Vision.	1
Develop and maintain a succession plan for the current director. Assess and evaluate staffing and organizational structure.	3,3
Increase Airport perceived value to stakeholders, thought leaders, and decision makers.	3,3
Preserve and develop institutional knowledge, human capital, and best practices.	-
Implement a Board member annual survey/self-evaluation.	-
Investigate a long-term strategy for nonaeronautical leases. This could mean evaluating actions such as converting to aeronautical uses when property reverts to the Boca Raton Airport Authority.	-
Create a plan for hardening Airport buildings by working with tenants. Evaluate underground utilities at risk. Ensure the disaster recovery plan is robust so Airport Management and staff are equipped to react to disasters when they occur.	-
Minimize the impact of environmental and technological threats. It is important to understand what may happen if some threats are not addressed.	-

NOTE: The numbers listed in the Board Member Priority column show the value and frequency board members ranked each initiative from one to three. A dash means Board Members did not designate a number or rank to this initiative.

SOURCE: Ricondo & Associates, Inc., March 2020.

8.2 STRATEGIC INITIATIVES

Through an iterative review process of the data available, the Committee identified the following themes that would address the strategic issues:

- financial resilience and self-sustainability
- land use management
- communications
- staffing and organizational structure adequacy
- operational integrity
- infrastructure preservation

The Committee formulated initiatives that capture these themes, but the initiatives also provide the Authority with enough flexibility to adapt and respond to changes in its operating and business environment, as well as continue to position BCT as a leading GA airport.

The first initiative is intended to motivate Airport Management to establish policies that ensure the Airport is self-sustainable despite constantly shifting external challenges. The second initiative focuses on a very limited resource for BCT: land. This initiative motivates Airport Management to be proactive in managing this resource so that benefits are maximized for BCT stakeholders. The third initiative recognizes that airports are integral parts of a community and communication with community members is important to achieve airport development. The fourth initiative focuses on ensuring Airport staffing policies position Airport employees to achieve the BCT Mission and Vision. The final initiative acknowledges that managing Airport assets is an ongoing process that requires constant review and improvement by Airport Management. The following list summarizes the rationale and main message behind each strategic initiative.

- 1. Plan for financial resiliency in a dynamic and uncertain future environment:** The Authority is already operating as a financially self-sustaining entity. However, the strategic planning process identified several external threats that could jeopardize that autonomy, including reduced grant availability, natural disasters, economic recessions, and global pandemics. Acquiring or developing the capability to assess a risk and its impact on the Authority's finances through scenario planning will advance this initiative. The tools and processes developed for this purpose may be achieved or supported with the assistance of professional organizations that could align the needs of many airports to deliver solutions tailored to the industry.
- 2. Develop land use policies and practices that enhance the value of the Airport to business and community stakeholders:** GA airports do not benefit from the revenues associated with commercial traffic. As such, land-generated revenues can make up the majority of airport revenues, especially for airports located in urban areas or with landlocked properties. Through discussions with the sponsors of peer airports that share similar physical characteristics as BCT, maximizing the use of the land is likely the most strategic initiative. However, to further challenge this issue, land deals typically span over several decades, with limited clauses to adjust the terms of the lease agreement. In the case of BCT, this issue is further exacerbated due to the limited number of prime tenants that operate on-Airport. Leasing practices should be data-driven and should align with the long-term development goals of the Authority. In addition, the Authority should be informed of developments in the vicinity of the Airport to maximize compatibility with Airport operations to the extent possible.
- 3. Promote the Airport's value to the community and contributions to the regional economy:** Communication has become a priority for commercial and GA airports. GA airports that operate in an urban environment must prioritize communication as a driver of integration with the community. The contributions of BCT to the City of Boca Raton and Palm Beach County was mentioned multiple times during stakeholder and Committee meetings, often along with the need to inform the community about what the Airport is doing. In addition, both stakeholders and Authority Board members supported continuous efforts to integrate with the community. The value of strong relationships with state and federal legislators, as well as with professional industry organizations, can support the overall goal of increased resiliency as the Authority may be able to better anticipate changes and position itself to adapt quickly.
- 4. Shape the organizational structure to continue responding to a dynamic operating environment and deliver excellence in all we do:** The lean staffing of the Authority has contributed to its growth over the past decade. The flexibility and agility provided by this level of staffing helped the Authority to react quickly to changing conditions, while meeting its public obligations to run a safe and efficient airport. However, it is important to recognize that as BCT continues to grow, the resources needed to successfully achieve the Mission, deliver the Vision, and progress toward the strategic initiatives may trigger periodic evaluation of the staffing requirements to ensure they can still be met. The strategic initiatives may trigger tasks or activities that can be

technical (analyst, land use management, communication) and/or require personnel/time commitments (partnerships, community outreach).

5. **Preserve and improve infrastructure assets and the operational integrity of the Airport:** The Authority operates BCT in a safe and efficient manner. It is also responsible for the maintenance and improvements to the Airport. To that effect, developing processes to maximize the life of infrastructure and to implement capital projects that advance the development of the Airport is essential. In addition, external threats to the operational integrity of the Airport are growing. The Authority should continuously seek ways to improve its processes and practices to be better prepared against local and global operational threats. The impacts of the 2020 global pandemic have highlighted the strategic importance of operational resiliency.

9. ACTION PLAN

Following the formulation of the strategic initiatives, the Committee developed strategic actions to serve as milestones toward achieving each initiative. These actions will be the focus of Airport Management as they lead the day-to-day operations and annual business objectives of the Authority.

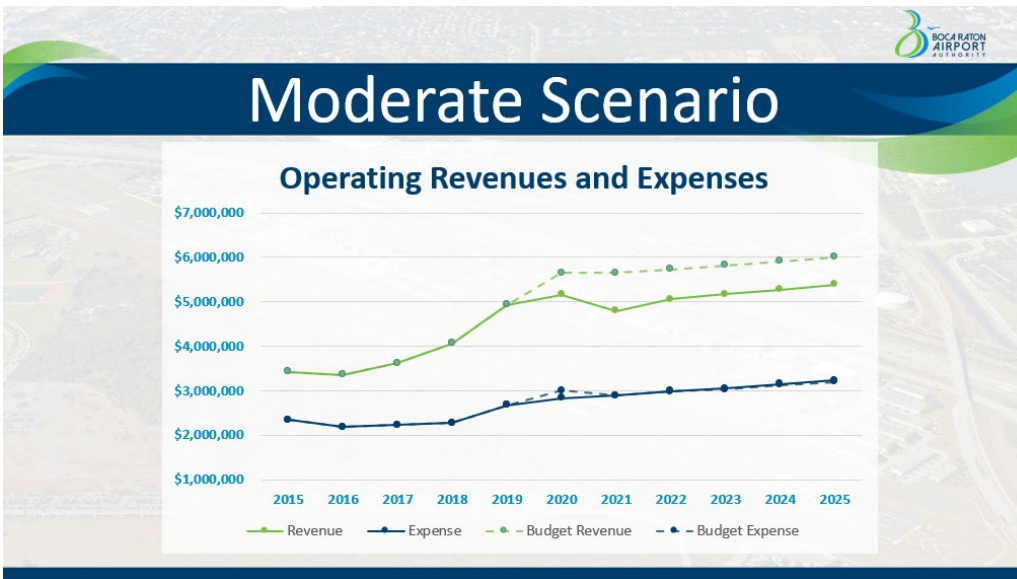
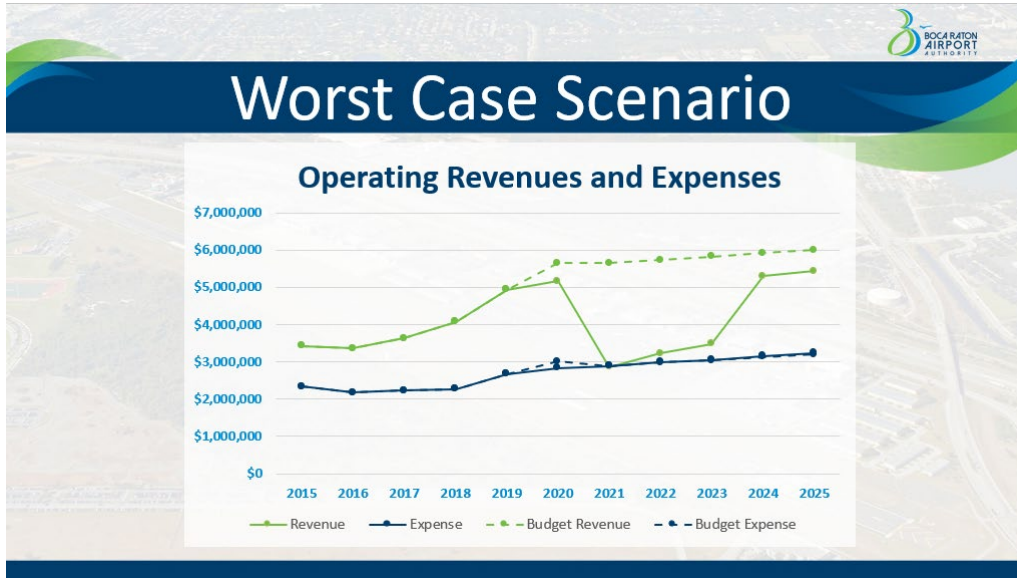
If some of these actions are achieved or become obsolete, then Airport Management can create new actions that better position the Authority to achieve the strategic initiatives.

1. Plan for financial resiliency in a dynamic and uncertain future environment:
 - a. Assess, develop, and maintain a financial and business risk assessment model to better anticipate and respond to the impacts of local or global health crises, economic recessions, or other threats to the Authority.
 - b. Evaluate long-term revenue and expense scenario projections against development goal metrics.
 - c. Control costs, as practical, and continuously seek opportunities for revenue growth and diversification.

As depicted on **Exhibit 9-1**, Airport Management developed budget scenarios as the global pandemic began to disrupt airport operations. The worst-case scenario assumed a three-year recovery for market driven revenues, the default of two non-aeronautical tenants, a major hurricane expense, and no changes to expenditures. The moderate scenario assumed a one-and-a-half-year recovery for market driven revenues, the recovery of deferred rents, and no changes to expenditures. The development of similar specific tools to implement a systematic approach to scenario analysis will facilitate the Authority's decision making.

2. Develop land use policies and practices that enhance the value of the Airport to business and community stakeholders:
 - a. Develop and maintain a land use evaluation model to support land leasing scenario analyses and decision-making.
 - b. Establish and develop a resource to negotiate and manage on-Airport leases, to advocate for Airport development, and to monitor surrounding developments.
 - c. Investigate a long-term land leasing strategy while preserving the flexibility to adapt to market demand and changes in economic conditions.

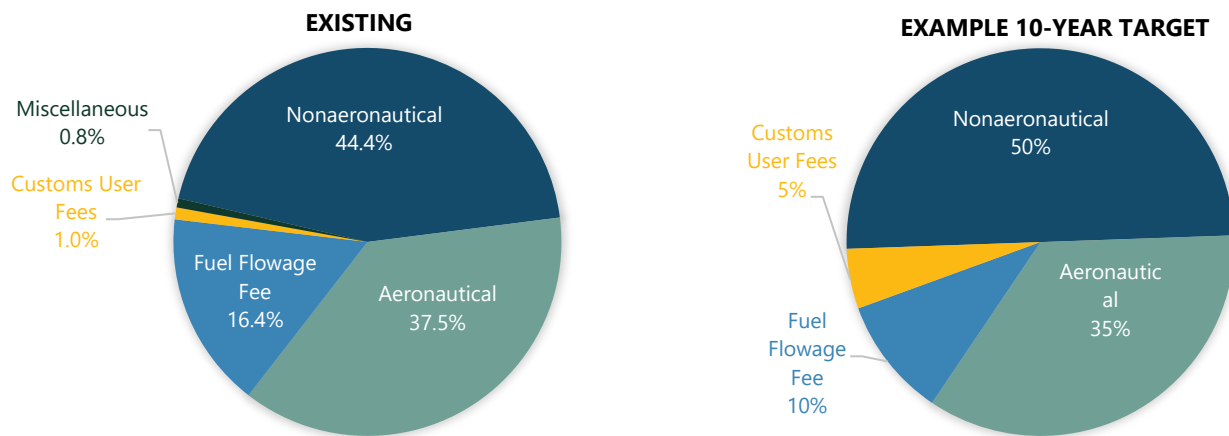
EXHIBIT 9-1 WORST AND MODERATE CASE EFFECTS OF COVID-19 ON AIRPORT BUDGET



SOURCE: Boca Raton Airport Authority, May 2020 (This information was presented in the May 2020 Boca Raton Airport Authority public monthly meeting).

The Committee’s analysis determined that a financial model that allows Airport Management to project and visualize the effects of leasehold highest and best land use while incorporating the Authority’s capital expenses and revenue potential would improve decision making. Such a model could inform the long-term land leasing strategy. **Exhibit 9-2** through **Exhibit 9-4** show samples of some of the information Airport Management could create and use to make decisions.

EXHIBIT 9-2 EXISTING AND TARGET REVENUE DISTRIBUTION



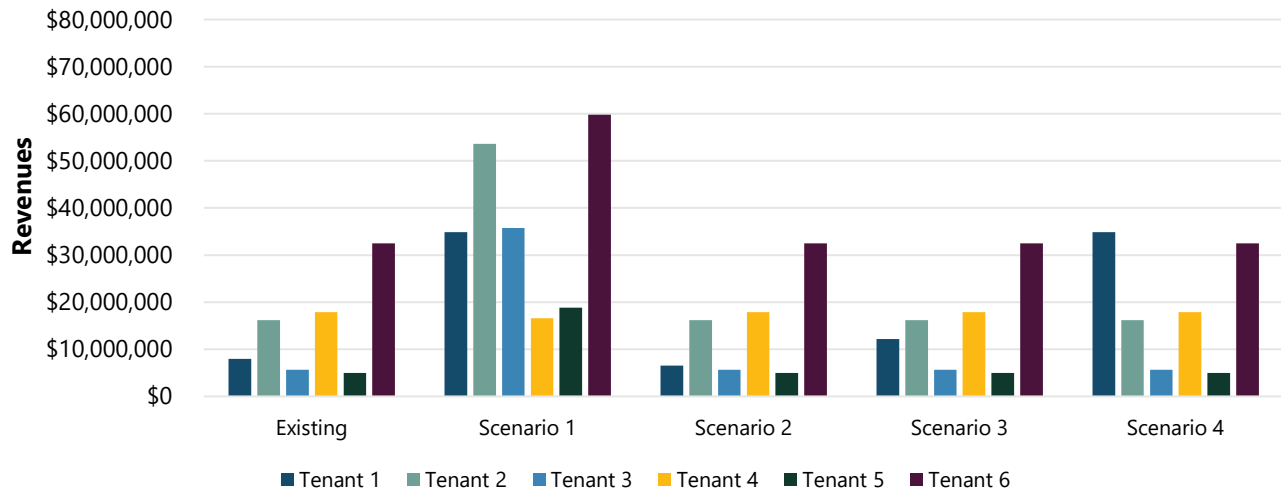
SOURCES: Boca Raton Airport Authority, *SBP Financial & Lease Summary*, January 2020; Ricondo & Associates, Inc., *BCT Lease Land Distribution Model – Sample*, May 2020.

EXHIBIT 9-3 ILLUSTRATION OF LEASEHOLD SCENARIO ANALYSIS

Existing Conditions - 100%				
		Area (sq. ft.)	Rate	Annual Revenues
	Nonaeronautical Land	203,425	\$4.31	\$876,853.32
	Aeronautical Land	0	\$0.00	\$0.00
	Building X	95,000	\$0.00	\$0.00
	TOTAL			\$876,853.32
Current Rates - 100%				
		Area (sq. ft.)	Rate	Annual Revenues
	Nonaeronautical Land	203,425	\$4.00	\$813,700.80
	Aeronautical Land	0	\$0.75	\$0.00
	Building X	95,000	\$0.00	\$0.00
	TOTAL			\$813,700.80
Scenario 1 - 100% Aeronautical				
		Area (sq. ft.)	Rate	Annual Revenues
	Nonaeronautical Land	0	\$4.00	\$0.00
	Aeronautical Land	203,425	\$0.75	\$152,568.90
	Nonaeronautical Improvements	0	\$10.71	\$0.00
	Aeronautical Improvements	0	\$7.50	\$0.00
	TOTAL			\$152,568.90
Scenario 2 - Mixed Aeronautical/Nonaeronautical				
		Area (sq. ft.)	Rate	Annual Revenues
80%	Nonaeronautical Land	162,740	\$4.00	\$650,960.64
20%	Aeronautical Land	40,685	\$0.75	\$30,513.78
	Nonaeronautical Improvements	0	\$10.71	\$0.00
	Aeronautical Improvements	0	\$7.50	\$0.00
	TOTAL			\$681,474.42

SOURCES: Boca Raton Airport Authority, *SBP Financial & Lease Summary*, January 2020; Ricondo & Associates, Inc., *BCT Lease Land Distribution Model – Sample*, May 2020.

EXHIBIT 9-4 ILLUSTRATION OF NET PRESENT VALUE COMPARISON OF DEVELOPMENT SCENARIOS



SOURCES: Boca Raton Airport Authority, *SBP Financial & Lease Summary*, January 2020; Ricondo & Associates, Inc., *BCT Lease Land Distribution Model – Sample*, May 2020.

3. Promote the Airport's value to the community and contributions to the regional economy:
 - a. Identify data sources and data points that highlight the Airport's value and contributions.
 - b. Update the Authority's communication plan to enhance outreach efforts and to further integrate with local stakeholders.
 - c. Monitor community opportunities to further enhance the Airport's role as a "good neighbor."
 - d. Participate and communicate with regional, state, and federal legislators, as well as with professional organizations.

Integration with the community and enhanced communications were identified as strategic for the Authority. Events where Airport Management can interact with the community and professional organizations as shown on **Exhibit 9-5** are ideal to communicate on the Authority's actions.

EXHIBIT 9-5 BOCA RATON AIRPORT MANAGEMENT AND AIRPORT STAFF COMMUNITY ENGAGEMENT



National Air Transportation Association (NATA) general aviation roundtable discussion at Boca Raton Airport, October 2019



Airport Deputy Director meets Congressman Webster, March 2020



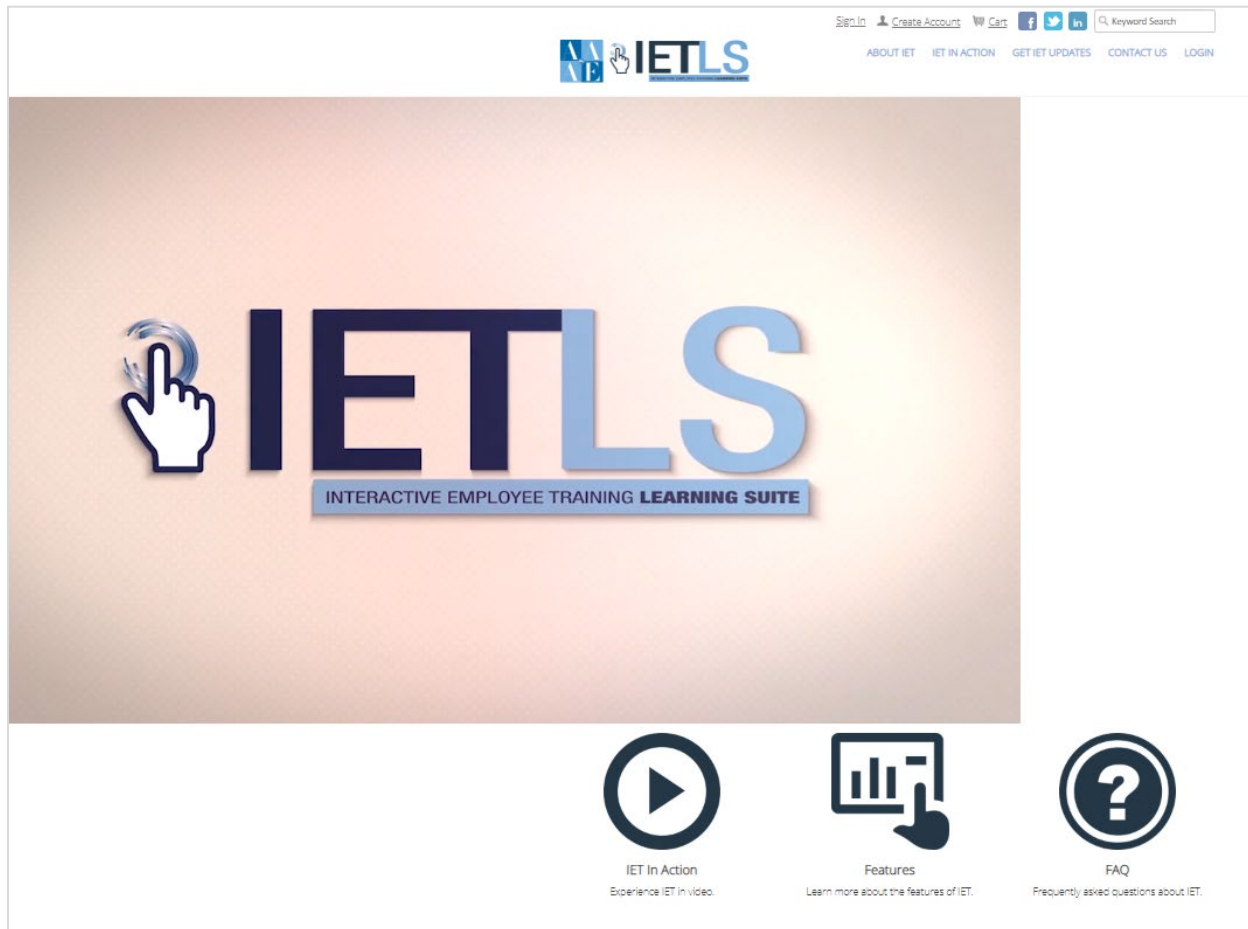
Back to School Drive with Spirit of Giving, July 2019

SOURCE: Boca Raton Airport Authority, July 2020.

4. Shape the organizational structure to continue responding to a dynamic operating environment and deliver excellence in all we do:
 - a. Periodically assess and update staff responsibilities to identify the Authority needs and functions necessary to achieve the Mission and Vision.
 - b. Plan to achieve succession planning objectives.
 - c. Invest in staff to increase efficiency and effectiveness.

The development of Airport Management individuals is a continuous process. As employees develop and increase skills, organizational effectiveness improves. The American Association of Airport Executives (AAAE) is an aviation industry professional organization that has developed an online training platform, Interactive Employee Training, to assist airport personnel with new and recurrent airport training. This is one option for investing in staff to continue delivering excellence. **Exhibit 9-6** shows the home page.

EXHIBIT 9-6 AAAE INTERACTIVE EMPLOYEE TRAINING HOME PAGE



SOURCE: American Association of Airport Executives, *IETLS*, retrieved from <https://www.aaae.org/aaae/IET/Default.aspx> on July 2020.

5. Preserve and improve infrastructure assets and the operational integrity of the Airport:
 - a. Continuously optimize processes to maximize the life cycle of Airport infrastructure.
 - b. Define and implement capital projects that advance the utility of the Airport and provide value-added benefits.
 - c. Identify innovation and best practices that can improve the Airport and its operations.
 - d. Ensure the Authority implements best practices to continuously improve resiliency against local, national, or global threats that may adversely impact Airport operations and work with Airport users to develop individualized approaches.

New processes and technologies are continuously developed in the aviation industry. Airport Management must respond to these changes and assess which new procedures and technologies would improve Airport operations and airport user experience. Airport Management actions such as regular inspections to see and respond to any Airport infrastructure damage before problems arise, establishing new user services, and collecting and analyzing

data to increase the efficiency of Airport operations. **Exhibit 9-7** shows an example of incorporating innovation through a self-service kiosk in the CBP facility.

EXHIBIT 9-7 SELF-SERVICE CUSTOMS AND BORDER PROTECTION KIOSK



SOURCE: Boca Raton Airport, *US Customs and Border Protection at Boca Raton Airport*, retrieved from <https://bocaairport.com/customs/> on January 2020.

10. CONCLUSION

This SBP is intended to guide the Authority as it achieves its updated Vision for the Airport. BCT is a key economic engine for the Boca Raton area and an asset of the community. The Airport, under the leadership of the Authority, must continuously evolve, and the BRAA must anticipate changes to achieve its Vision and to maintain self-sustainability in a dynamic industry. This plan provides a foundation for the Authority to make day-to-day decisions that support the Vision and Mission statements and set of Values identified for BCT.

The strategic planning process was set up as a collaborative approach. In addition to gathering data from the Authority's records and collecting data on industry trends, meetings and workshops were held with Airport stakeholders, including tenants, Airport users, and local organizations. The input from these stakeholders assisted the Committee as it reviewed and updated the Vision and Mission statements. The stakeholders also offered exceptional insight into their respective industries, which enabled the Committee to identify seven strategic issues that the BRAA should address as part of the SBP, ranging from staffing and funding to external threats.

Through the SBP process, the Committee formulated a set of updated strategic initiatives. The initiatives establish the Authority's strategies for planning for financial resiliency, developing land use policies and practices, enhancing Airport value to the local community, shaping the Airport organizational structure, and maintaining the operational integrity of the Airport. These strategic initiatives, and the associated action plan, will assist the Authority as it achieves its long-term Vision for the Airport.