

## Punta Gorda Airport and Walmart: Models alike

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Charlotte County **Airport** Authority commissioner Pam Seay said **Punta Gorda Airport's** successful low-cost, high-revenue "Walmart" financial model is the key to the **airport's** continuing success.

"We maintain our niche, keep costs low," she told the Lifelong Learning Institute gathering at Florida SouthWestern State College in **Punta Gorda**. "We want to stay the Walmart of airports instead of the Nieman-Marcus."

She took the audience through the history of the county **airport** from its loan to the Army Air Force in the 1940s, through the creation by the Legislature in 1963 of an independent Charlotte County Development Authority to run the **airport**.

By the 1980s, she said, with the 1963 legislation stripping the county of tax authority for the **airport**, the CCDA had run up a bond debt of some \$8 million, originally based on anticipated tax revenue, but now with no taxes to pay for it.

In the 1990s, the board of commissioners and the then-Charlotte County **Airport** Authority refinanced the bond debt with a bank loan and set out, with a budget of \$1 million, to develop a plan for the future, designed to attract commercial carriers and tourism dollars, improve facilities and develop **airport** property commercially.

"We were doing great," Seay said, "darn good." Then along came Hurricane Charley in 2004, which, she said "Totally, utterly, completely destroyed the **airport**." The damage was \$11 million. She showed pictures of the devastation.

Charley left the authority "with no income," she said, as hangar revenue vanished, and with "a total budget of zero."

They borrowed \$11 million and became "the first **airport** in the USA to adopt an "ultra low-cost per enplanement financial model."

In 2007, Seay said, the **airport** still had no firefighting equipment, no air traffic control tower, no terminal, no

tripled the terminal's size.

- General aviation still commands 82 percent of takeoffs and landings. Airlines are 10 percent.

Corporate jets, 8 percent.

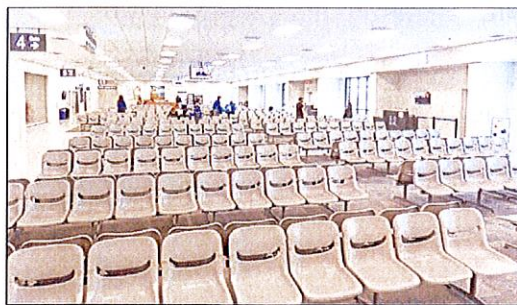
- The Western Michigan University flight school came on board last year, bringing \$2.5 million for **airport** operations, and resulting in another \$2.5 million from the Florida Department of Transportation.

- According to the USDOT Bureau of Statistics, in 2008, PGD ranked 262nd out of 406 U.S. airports. In 2015, it ranked 100th of 407.

Seay said that according to USDOT, the national average air fare is \$344. At Fort Myers (RSW) it's \$327. At Tampa, it's \$321. At PGD, it's \$85.91.

PGD is also in an excellent location to attract air passengers, she said, within a few minutes from I-75, and within 60 minutes of 1.3 million residents and more than 67,000 lodging rooms.

The **airport's** future, Seay said, is working the alliance with Western Michigan University, seeking Allegiant growth and new airlines, "knowing our market, maintaining our niche, keeping costs low," and sticking with the Walmart model.



**The terminal at Punta Gorda Airport was expanded last year. The hold room, housed in the new terminal wing, has a seating capacity of nearly 1,300.**

SUN FILE PHOTO BY GARY ROBERTS



landing fees from Signatory Airlines, and was funding the **airport** from concessions revenue.

Then the growth began:

- Skybus came on board, for just a few months in 2009, replaced by Direct Air in 2010-2011, and then Allegiant in 2013.
- Allegiant began that first year with a passenger count of under 400,000. By 2015 it was one million. This month it hit 1.2 million and continues to climb, with 108,500 passengers in June, a 10 percent increase over June last year. Allegiant also has invested \$60 million at PGD.
- Frontier Airlines was added last year, but recently announced it will relocate flights from **Punta Gorda** to Southwest Florida International **Airport** in Fort Myers.
- More than 200 jobs are tied to 38 businesses at the **airport**.
- Expanded **airport** parking is full on weekends, even in the summer.
- **Airport** revenues climbed to \$10 million in 2016, and Seay said they are looking at somewhere in the vicinity of \$14 million next year.
- Tourism tax revenue continues to climb with the passenger count, passing \$800,000 in 2015.
- The authority built an air traffic control tower and a new terminal, then



**Charlotte County Airport Commissioner Pam Seay addresses the Lifelong Learning Institute at Florida SouthWestern State College in Punta Gorda.**

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**Allegiant Air has added three new routes in and out of Charlotte County: Grand Rapids, Michigan, Greensboro, North Carolina, and Lexington, Kentucky.**

PHOTO PROVIDED BY PUNT GORDA AIRPORT AUTHORITY