

A Few Questions for Airport Commission to Consider

- How does the Commission define “General Aviation”?
- If the Commission doesn’t formally define “General Aviation”, how does it know what and who it is impacting or leaving behind?
- If “General Aviation” is considered part of Washington-Manassas Airport future, how is it written into the overall Vision, Plan and ensuing indicators and metrics?
- How are you collecting information, metrics, and data on the numerous General Aviation sub-communities currently on KHEF to verify you are (Source: Commercial Service Transition Plan):
 - “Protecting existing General Aviation and aviation business revenues”
 - “Identifying funding opportunities and partnerships” [to include General Aviation]
 - “Maintain a competitive value proposition and operational support for existing GA tenants”
 - “Maintain competitive rates, preserve operational access and service levels, proactively engage tenants, and continue investment in critical GA infrastructure throughout the transition”
- How are you as an Airport Commission regularly, actively engaging with the current residents/constituents of KHEF General Aviation community which includes Small Businesses? (Also outlined as Transition Objective #3 in your Commercial Service Transition Plan)
- What is the formally documented 20-30 Strategic Vision for Washington-Manassas Airport (KHEF)?
- What is the formal plan, or portfolio of plans, for the next 5, 10, 15, 20 years, that supports that Vision?
- How are both Commercial Air Carrier Ops and General Aviation mutually represented and measured?
- How are you formally folding 80 years of General Aviation history, community, and success into the plan and future Vision?

NOTE: These questions are not the only ones to consider—hopefully they spark even more questions/thought in stakeholders and decision-makers which will help scope, guide, and measure this endeavor.



We are writing on behalf of businesses operating within the general aviation community at Washington Manassas Regional Airport to express our concerns regarding the airport's current and planned expansion projects and, more importantly, the impact these projects may have on the businesses, instructors, students, aircraft owners, and other general aviation users who rely on the airport every day.

We want to begin by making it clear that we are supportive of the growth and expansion of Washington Manassas Regional Airport. We welcome investment in the airport and recognize the importance of modernizing its facilities and infrastructure. A growing airport can provide significant economic and aviation benefits to the region.

Aero Elite Flight Training began operations at Manassas Regional Airport in 2019 under Commonwealth Aviation, operating within the APP Jet Center FBO. In 2023, the companies merged, marking a significant period of growth for Aero Elite. Within the first month following the merger, our fleet expanded from two aircraft to five. This growth also allowed us to hire additional flight instructors, front desk personnel, and operations managers to support our expanding operations.

Today, Aero Elite operates five flight school locations: Leesburg, Manassas, Winchester, Norfolk, Virginia, and Potomac, Maryland. While Leesburg is currently our largest operation, limited aircraft tie-down availability has presented challenges to further expansion at that location. As a result, we have placed an increased focus on developing and expanding our Manassas operation to accommodate continued growth and meet the increasing demand for flight training.

Once again, we want to emphasize that we support the continued growth of aviation and are excited about the potential for commercial airline operations at Manassas Washington Airport. Our goal is to see the airport grow in a way that supports both commercial development and the general aviation community that has been an integral part of its success for many years.

We previously met directly with Juan Rivera, Airport Director, and Jolene Berry, Assistant Airport Director, to discuss the impact the transition to the West Ramp has had on our operations and to inquire about plans for additional infrastructure to support general aviation on the west side of the airport.

Although we have worked diligently to adapt to the transition, it has created significant operational challenges. Our instructors now must arrive early enough to travel to our office on the East Ramp to collect aircraft keys, safety vests, and other necessary materials before driving to the West Ramp. This additional travel time has affected our



revenue and scheduling efficiency. Previously, we were able to schedule flights in 2.5-hour blocks; however, we now must generally extend reservations to three-hour blocks to account for the additional transportation time. This reduces aircraft availability and limits our ability to accommodate students efficiently.

During our meeting, we also discussed the lack of adequate facilities on the West Ramp. We regularly observe instructors and students exchanging aircraft binders between flights, often while remaining outdoors for extended periods. As temperatures drop during the winter months, we are concerned about the lack of suitable shelter and basic amenities for those working and training on the west side. Currently, the only facilities available are two portable restrooms, with no designated indoor space for individuals to warm up, take shelter from inclement weather, or comfortably manage the demands of a full day of flight operations.

To help address these concerns, we asked whether we could place a temporary trailer in the grassy area next to High Flying Hangars, equipped with restroom facilities and a sheltered space for instructors and students. While this proposal was not favored due to concerns about temporary structures becoming permanent fixtures and the challenges associated with enforcing their removal after the three-year maximum period, Juan Rivera explained that he and Jolene Berry were already exploring the possibility of a temporary airport-owned building on the West Ramp. He noted that a similar arrangement had been successful at another airport and suggested that an airport-owned facility could serve as a dedicated general aviation terminal for the west side. We appreciated hearing that this possibility was already under consideration and believe it would be a meaningful step toward addressing the needs of the general aviation community.

These operational changes have also affected our students' perceptions of the airport and the overall flight training experience. Our team consistently works to maintain a professional and constructive relationship with airport leadership, and we make every effort to reassure our customers that we are working collaboratively with the airport to identify practical solutions that benefit all parties. We do not direct our frustrations toward our customers; instead, we remain focused on finding ways to adapt while maintaining the quality of our services. However, we continue to receive complaints regarding the additional time and inconvenience associated with flight reservations. As



construction progresses through its various phases, we are also concerned that increased congestion and changes to access routes may further extend travel time between our East Ramp office and aircraft parked on the West Ramp.

We respectfully request the Commission's assistance in ensuring that general aviation businesses have the opportunity to continue thriving at an airport that has supported this community for decades. Manassas Washington Airport has provided a foundation for businesses like ours to grow, create employment opportunities, and help aspiring pilots pursue careers in aviation. We want to see that tradition continue alongside the airport's future development.

Our primary concern is not the expansion itself, but rather the need for clear communication, proactive operational planning, and appropriate infrastructure for the businesses directly affected throughout each phase of construction. We believe general aviation must remain an active consideration in the airport's planning process, with practical accommodations in place to ensure businesses can continue operating safely and efficiently. In particular, we strongly encourage the Commission to support the development of dedicated facilities on the West Ramp, including a sheltered, accessible space that can serve the daily needs of flight schools, instructors, students, and other general aviation users.

With thoughtful planning, open communication, and a commitment to providing the necessary resources, we believe Manassas Washington Airport can successfully expand its commercial capabilities while preserving and strengthening the general aviation community that has contributed so much to its success.

Key Growth Highlights:

- Aircraft fleet: Expanded from 2 aircraft in 2019 to 8 aircraft in 2025, a 300% increase.
- Student enrollment: Grew from 20 students in 2019 to 148 in 2025, an increase of 640%.
- Flight instructors: Increased from 3 in 2019 to 16 in 2025.
- Pilot certificates: Awarded 22 certificates in 2025 and 25 during the first portion of 2026.
- Airport activity: Recorded 4,502 takeoffs and landings at Manassas Washington Airport (HEF) from January 1 through October 14, 2026, already exceeding the 4,417 operations recorded in all of 2025.



Aero Elite Flight Training — Annual Growth 2019 to Date

	2019	2023	2025	2026 (Jan. 1–Oct. 14)
Aircraft	2	5	8	8
Flight Instructors	3	10	16	13
Front Desk / Admin Staff	1	5	7	10
Students	20	67	148	133

Pilot Career Outcomes & Airport Operations 2025 to Date

	2025	2026 (Jan. 1–Oct. 14)
Pilot Certificates Awarded	22	25
Instructors Accepting Professional Pilot Positions	7	4
Total Operations at HEF (Takeoffs and Landings)	4,417	4,502

Construction Projects

October 2026



Air Traffic Control Tower Design

The objective of this project is to design the Tower and package for bidding support services for a new Tower.

- *Bids were opened on October 2nd – 2 Complete bids were submitted, a 3rd bid was submitted, but was incomplete and considered non-responsive.*
 - *Lowest bidder was \$29M*

Cost to Date: \$ 2,092,794.42

Timeline:

October 10th 2026 – Ground breaking for new Tower
June 2029 – Completion



Runway 16L/34R Rehabilitation

The objective of this project will be to rehabilitate the existing runway asphalt pavement & overhaul the associated airfield electrical infrastructure. Grading the Runway Safety Area to be in compliance for FAA standards. Improve drainage along the runway and taxiway connectors.

- *Chemung Contracting is apparent low bidder.*
- *Getting project under grant.*

Cost to Date: \$ 1,068,027.00

Completion: Late Summer 2027



The objective of this project will be to widen the taxiway 10 feet to accommodate Group III aircraft. The connector taxiways, B1, B2, B3, B4 to the Runway Safety Area will also be adjusted to handle Group III aircraft. New LED taxiway lights and signs will be installed. Improve drainage along the taxiway connectors.

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Airspace Obstruction Removal

Trim and remove trees identified as obstruction. During the development of the airport's master plan, an airspace analysis was completed. The obstructions were documented as cut sheets in the Airport Layout Plan (ALP). Of the obstructions documented, seventy-nine (79) of them were explicitly trees, varying in height above ground level 30 feet to 300 feet. It was expressed by the FAA that these trees would need to be mitigated in order to prevent interference with approach minimums and future funding. Some trees would be trimmed and others cut down. The airport has an airspace ordinance established in Prince William County and the City of Manassas. Landowners were be coordinated with to gain access to their property.

- As of September 16, 2026 – All Obstructions included in project cost were mitigated and removed.

Cost to Date: \$ 109,545.00



My Active RAM Projects

Select Facility/Create Project

Active

All

Completed

Partial Completed

Terminated

15

Items in Page

RAM ID

Filter Text

Add Filter

RAM ID	Facility Id	Facility Name	State	Type	Total Objects	Created By	Created On	Last Updated By	Last Modified	Workflow Status
HEF-2026-OMP-1381	HEF	WASHINGTON MANASSAS/HARRY P DAVIS FLD	VA	Obstacle Management	64	Richard Allabaugh	2026-08-24	Richard Allabaugh	2026-08-24	Submitted to FAA
HEF-2026-OMP-1382	HEF	WASHINGTON MANASSAS/HARRY P DAVIS FLD	VA	Obstacle Management	53	Richard Allabaugh	2026-08-24	Richard Allabaugh	2026-08-24	Submitted to FAA
HEF-2026-OMP-1384	HEF	WASHINGTON MANASSAS/HARRY P DAVIS FLD	VA	Obstacle Management	16	Richard Allabaugh	2026-08-24	Richard Allabaugh	2026-08-24	Submitted to FAA
HEF-2026-OMP-1387	HEF	WASHINGTON MANASSAS/HARRY P DAVIS FLD	VA	Obstacle Management	92	Richard Allabaugh	2026-08-24	Richard Allabaugh	2026-08-24	Submitted to FAA
HEF-2026-OMP-1388	HEF	WASHINGTON MANASSAS/HARRY P DAVIS FLD	VA	Obstacle Management	57	Richard Allabaugh	2026-08-24	Richard Allabaugh	2026-08-24	Submitted to FAA
HEF-2026-OMP-1389	HEF	WASHINGTON MANASSAS/HARRY P DAVIS FLD	VA	Obstacle Management	4	Richard Allabaugh	2026-08-24	Richard Allabaugh	2026-08-24	Submitted to FAA
HEF-2026-OMP-1390	HEF	WASHINGTON MANASSAS/HARRY P DAVIS FLD	VA	Obstacle Management	4	Richard Allabaugh	2026-08-24	Richard Allabaugh	2026-08-24	Submitted to FAA
HEF-2026-OMP-1391	HEF	WASHINGTON MANASSAS/HARRY P DAVIS FLD	VA	Obstacle Management	4	Richard Allabaugh	2026-08-24	Richard Allabaugh	2026-08-24	Submitted to FAA
HEF-2026-OMP-1495	HEF	WASHINGTON MANASSAS/HARRY P DAVIS FLD	VA	Obstacle Management	19	Richard Allabaugh	2026-10-08	Richard Allabaugh	2026-10-08	Submitted to FAA

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Stormwater Detention Pond Restoration

Repair and restore stormwater detention ponds at Redoubt Road Property. In partnership with the City of Manassas Engineering Department (Stormwater Division), funds were allocated to restore various stormwater ponds around the City of Manassas. One of the areas was located on airport property. Scope was to dredge out existing sediment, remove vegetation and restore flow to encourage positive drainage.

Funds for City-wide project were provided at no cost to the Airport.

Cost to Date: \$ 0.00

Project Completed: July 2026





Stormwater Detention Pond and Outfall Repair – Phase 2

Repair and restore outfall locations and stormwater detention ponds. The Airport is responsible for maintaining various outfall locations around the airport. A number of these outfalls are showing signs of wear and erosion. This project would hire a contractor to restore the soils and rip rap around the culverts, or replace the existing culvert depending on condition. This is Phase 1 of 2 which addresses four (4) outfall locations.

- *Notice to Proceed issued on September 28, 2026*
- *Muller Inc scheduled for week of October 19, 2026*

Cost to Date: \$ 0.00

Budget: \$60,790.19



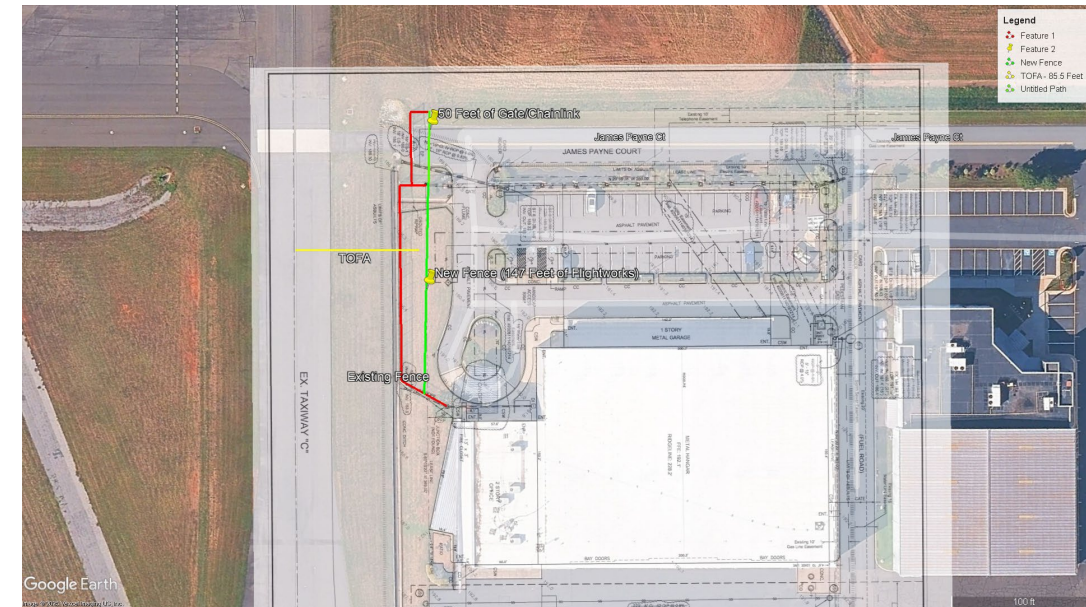
Object Free Area (OFA) – Fencing Adjustment

Remove and replace perimeter fencing near Taxilane Charlie. During the master plan process, it was identified that there is fencing on the north end of Taxilane Charlie that exists inside the Object Free Area (OFA) of a Boeing 737-700 or Airbus A220-300. About 200 linear feet of fencing and a manual gate would need to be moved at least 20 feet from its existing location in order to be safely clear of the OFA. The existing fence belongs to an existing franchise who has been notified of the required change. This project would remove the existing ornamental fence, relocate the manual slide gate, and replace with chain link black vinyl coated fabric with protective barbed wire.

- *Letter sent to Flightworks in January 2026.*
- *Notice to Proceed issued to Hercules Fence on October 1, 2026*
- *Follow-up letter sent October 7, 2026*

Cost to Date: \$ 0.00

Budget: \$12,750.00



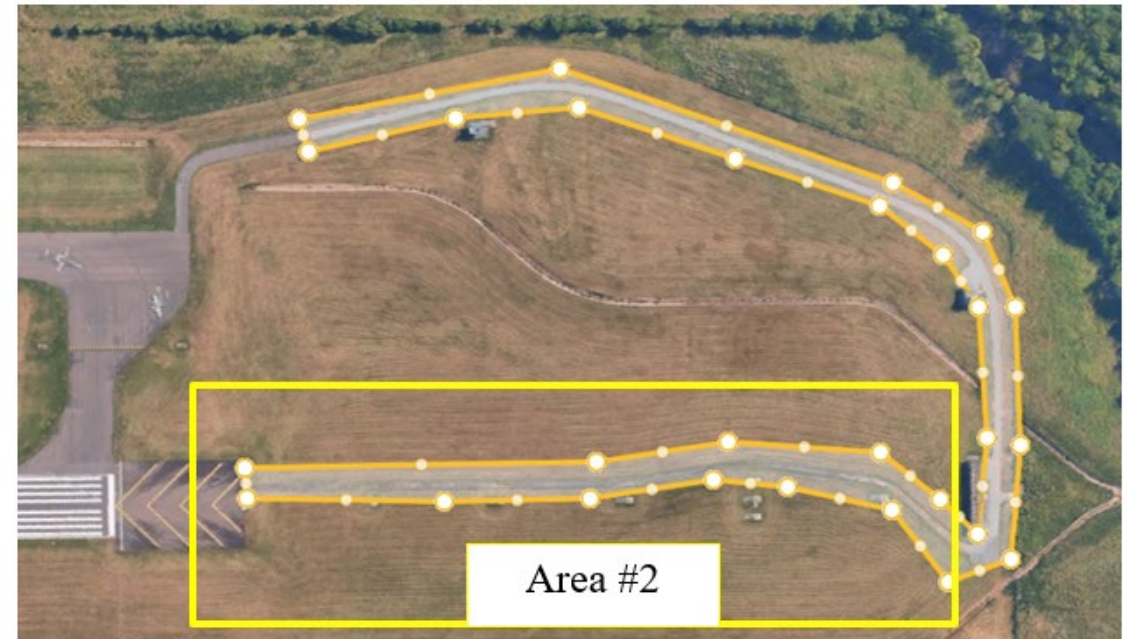
MASLF Access Road Grading

Paving of the Localizer and MALS-F access roads on the southside of the airport. The current access roads are partially paved with the remainder of the road stabilized with gravel, rock, or millings. In the wet months, the composition of the roads diminishes, introducing foreign object debris onto airport movement areas. Per FAA under Snow and Ice Control (139.313), roads to NAVAIDs should be accessible. This project would stabilize the road with additional millings, grade the road and provide a finishing layer.

- *Notice to Proceed issued to Branscome Paving on 2026*
- *Work scheduled for October 28 and 29.*
 - *Staff working on notifications to tenants and project phasing.*

Cost to Date: \$ 0.00

Budget: \$37,720.00



Washington Manassas Airport

Avports Manassas LLC



Airport Commission | October 15, 2026

AVP  RTS

Where We Were, and Where We Are



Where the program stands

- Much of what the Commission saw from us previously was drawn in 2024, when the program was still largely conceptual.
- Since then, we have taken feedback from the Commission, from the City and our airline partners, and we have held ourselves to a budget and timeline required to attract commercial service in 2027.
- Construction is now underway.
- The pages that follow show the original on the left and a similar view (if available) as it stands today on the right.



The plan has evolved positively.

Still four gates, still constructed to the committed obligation. What changed is largely discrete, but the design is better for the input.

Terminal — Landside View

Previously shown — 2024 concept



Current



Similar building, better overall functionality
The canopy, the entry and the curb have all been worked through, and the building now carries the Washington Manassas name.

Current design: Skidmore, Owings & Merrill, canopy study, July 2026

The Terminal at the Curb

Design



Approach from the lot

Slanted Curved Canopy



Along the frontage

Slanted Curved Canopy



One curb, one canopy, doors straight ahead.
A single covered frontage with the entry doors directly off the crossing from the lot.

Skidmore, Owings & Merrill, canopy study, July 2026

Airside — Concept to Permit Set

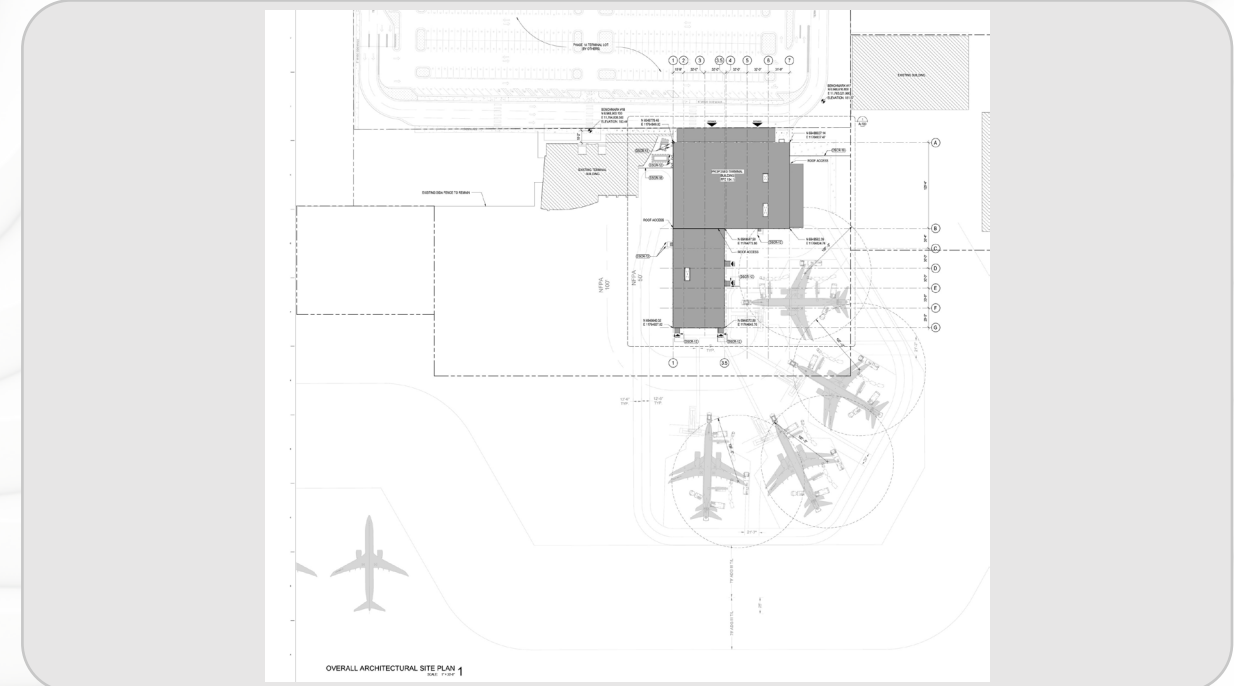
Design



Previously shown — 2024 concept



Current — issued for construction



The airside concept largely became what we submitted for permits.

What was a massing study in 2024 is now largely an architectural site plan issued for construction, with an optimized aircraft parking layout.

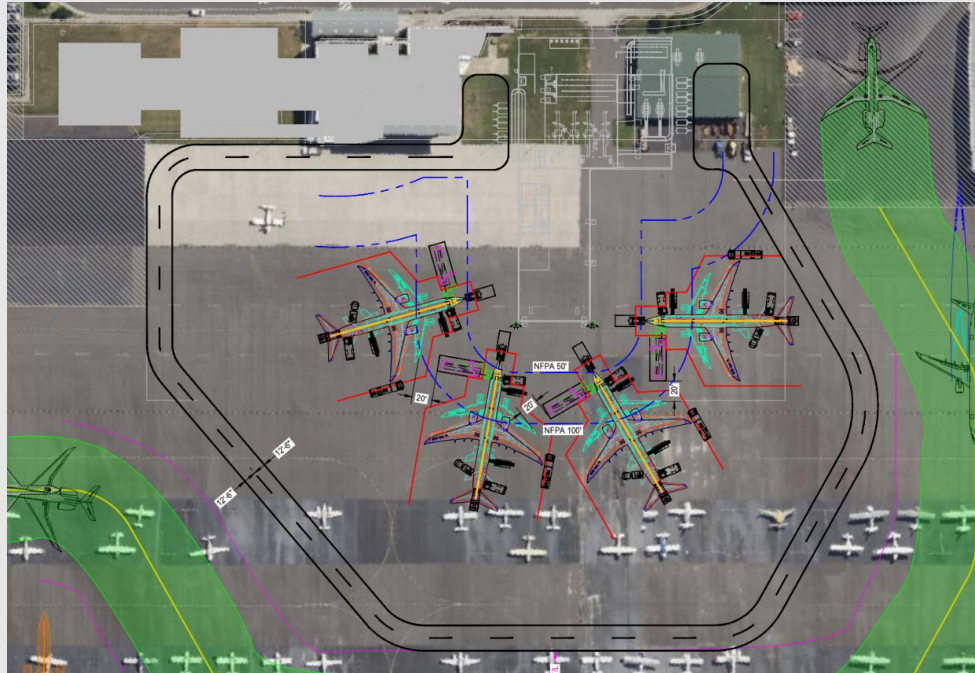
Current drawing: SOM, Overall Architectural Site Plan A-012, issued for construction

Gates and Apron

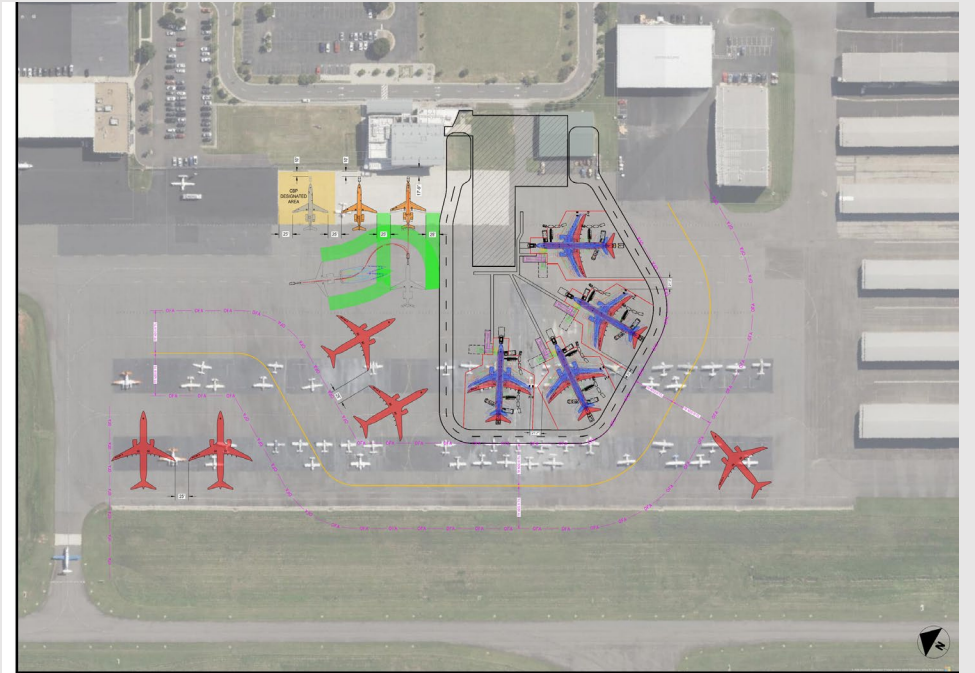
Design



Previously shown — 2024 concept



Current — August 2026

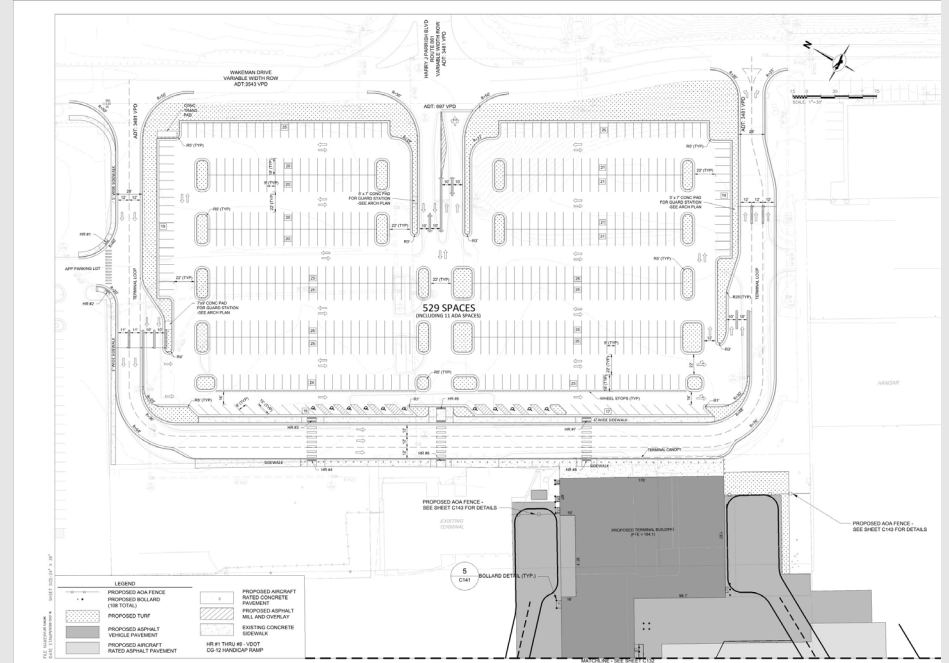


Four gates, held, with remain-overnight positions worked out around them.

The north side carries three ERJ-135 Group II positions at 25-foot separations, one of them inside the CBP designated area. Those are shown as a hypothetical, not a committed position. Any CBP arrival takes priority over any commercial operation.

Current drawing: Aero Systems Engineering, HEF Airside Study, RON Exhibit 4-Gate Layout SK-19.1, August 4, 2026

Current



Optimized for additional spaces at the terminal (~529)

The 2024 exhibit carried roughly 500, but close in parking carries major implications for customer satisfaction, so we optimized for additional spaces here

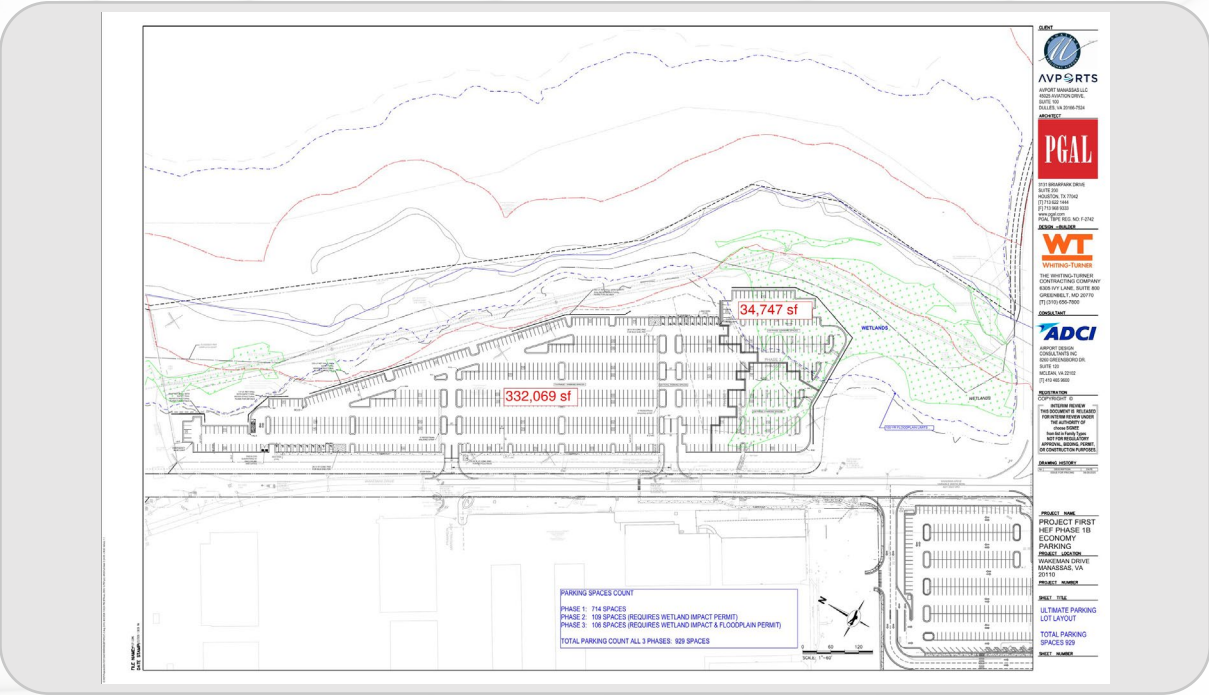
Current drawing: HEF Terminal Building Phase 1, Landside and Airside Improvements, Sheet C131

Economy Parking and the Site

Previously shown — 2024 concept



Current



About 700 spaces in Phase 1, possibly growing to 900+ if we are able to add approximately 37,000 SF of adjacent land. Portions of the original leased premises could not be built on due to site conditions, driving down parking spaces materially, but 37,000 will help make up for a large portion of the lost spaces.

Current drawing: HEF Phase 1B Economy Parking, Ultimate Parking Lot Layout, September 22, 2026

Construction Has Begun

Construction



Hard hats and high-vis vests, the first week of October.

Demolition of the existing maintenance building is the first physical construction activity under the contractor's early release scope, clearing the way for the new terminal.

Site photographs, Avports, October 7, 2026

The Program Today



Economic impact of commercial air service at HEF



Direct \$440.8M and indirect \$166.2M, under the high scenario of 250 flights per week.

Manassas Regional Airport Economic Impact Study, Crawford, Murphy & Tilly, April 2023

A Comparable Project — McKinney National

Benchmark



Four gates, opening Nov 2027. Presents very well.

We believe we will too. Their focus, like ours, was to put the money where the customer — the airlines and the passengers — gets the benefit.

Avports site walk, McKinney National Airport, October 1, 2026

Where the Money Went

Benchmark



Inside the building, where the passenger is.

McKinney prioritized interior features — the holdroom, the restrooms and the finishes a passenger actually touches. We are following a similar approach.

Schedule and Milestones

Milestone	Current
EA Submission to FAA	Complete
Opening of EA Public Comment	Complete
FAA Issuance of FONSI	Complete
Term Sheet With Inaugural Airline	Complete
Issuance of Part 139 Certificate	Complete
100% Design Complete	Complete
Financial Close	Complete
Construction Start	Complete
Substantial Completion of Program	September 2027
ORAT Completion	October 2027
Launch of Scheduled Air Service	November 2027



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Train to Plane – VRE Growth to Support Multimodal Travel

October 15, 2026

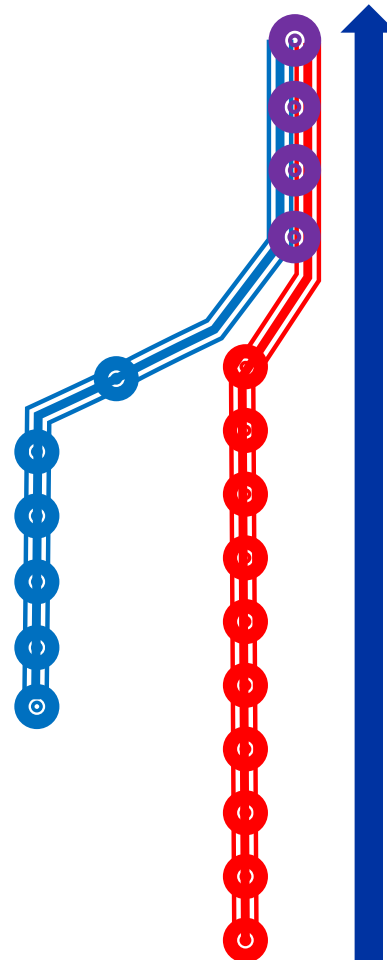
Katie J. Choe, CCM
VRE CEO



V52

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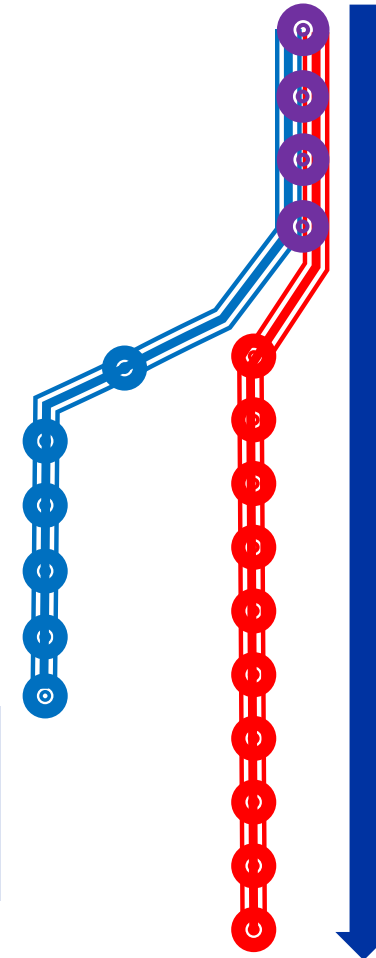
ABOUT VRE



AM Service:

- 15 northbound trains
- 1 reverse flow (Departing Union Station at 6:35 AM)
- 4:50 AM – 9:05 AM

Long Bridge Work
Window: 8:15 AM– 1:00 PM
Last four VRE trains of AM



PM Service:

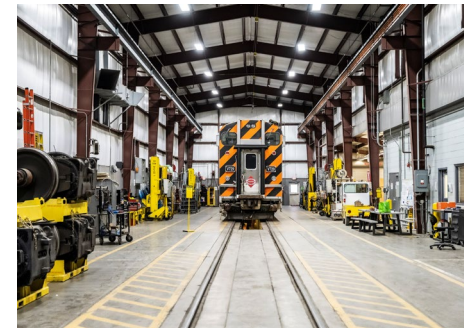
- 15 southbound trains
- 1 reverse flow (Departing Broad Run at 3:28)
- 1:30 PM – 8:37 PM

Keys to Success

VRE's roadmap to expanded service



- 1 Frequency
- 2 Reliability
- 3 Competitiveness



How people travel is changing! We must adapt service accordingly to provide more flexibility and meet regional travel needs.

THE 2050 VISION: TRUE REGIONAL RAIL

From commuter rail to a world-class regional network



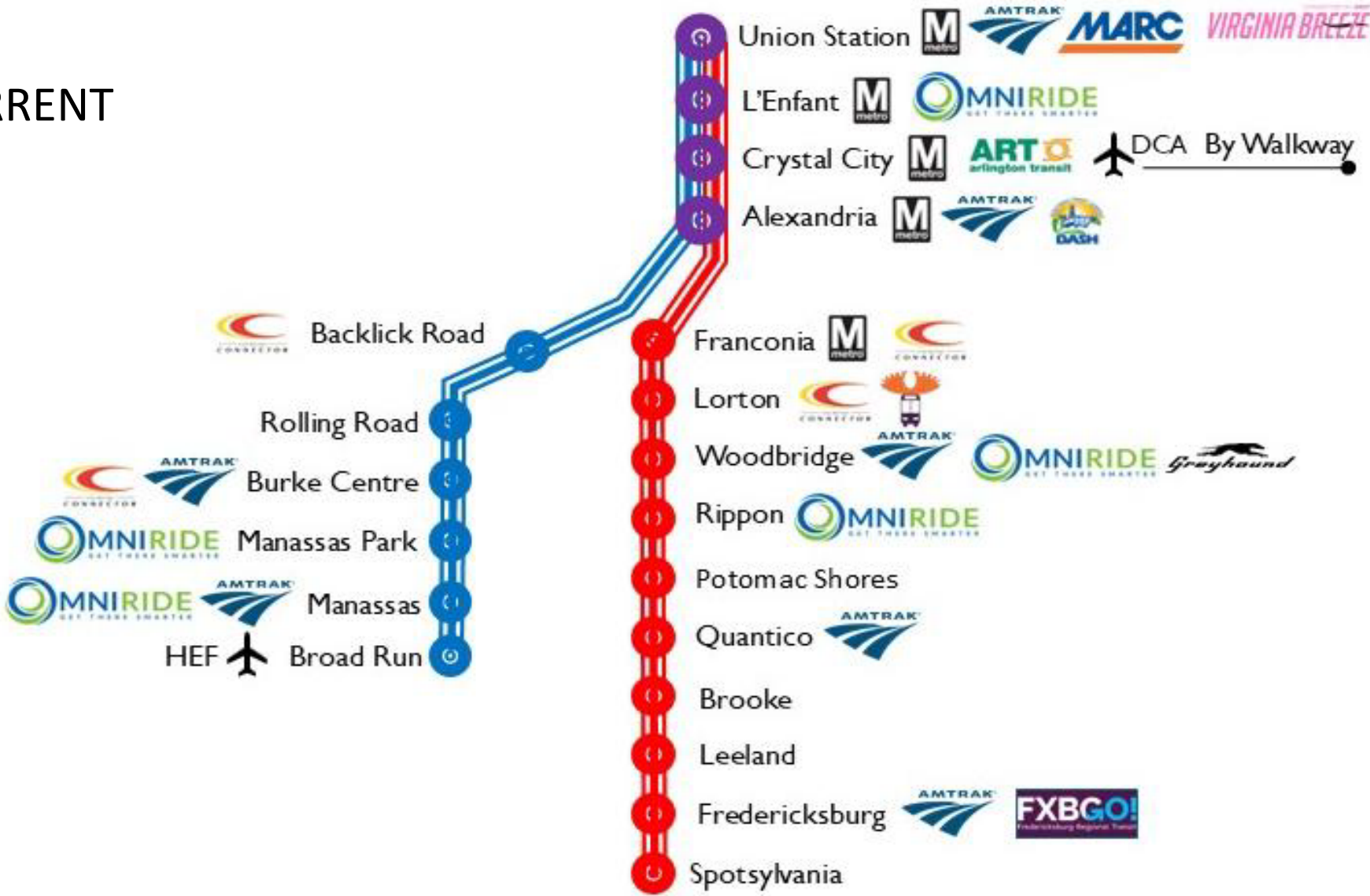
By 2050: A train every 20 minutes toward D.C. — every 30 minutes outbound — every hour off-peak and on weekends. All day. Every day.

TODAY		2030		2050	
Daily trains	32	Daily trains	52 (+63%)	Daily trains	116 (+263%)
Service days	Mon–Fri only	Service days	Mon–Sun	Service days	Mon–Sun
Peak frequency	~30–60 min	Peak frequency	~15–20 min	Peak frequency	20 min (inbound) 30 min (outbound)
Off-peak trains	1 per line	Off-peak trains	2–3 per line	Off-peak trains	Hourly all day
Reverse service	1 per line	Reverse service	2–3 per line	Reverse service	Full bi-directional
Weekend trains	None	Weekend trains	6–7 round trips	Weekend trains	Hourly service
Express trains	1 per line	Express trains	4–9 per line	Express trains	Integrated network

VRE AS THE REGION'S SPINE



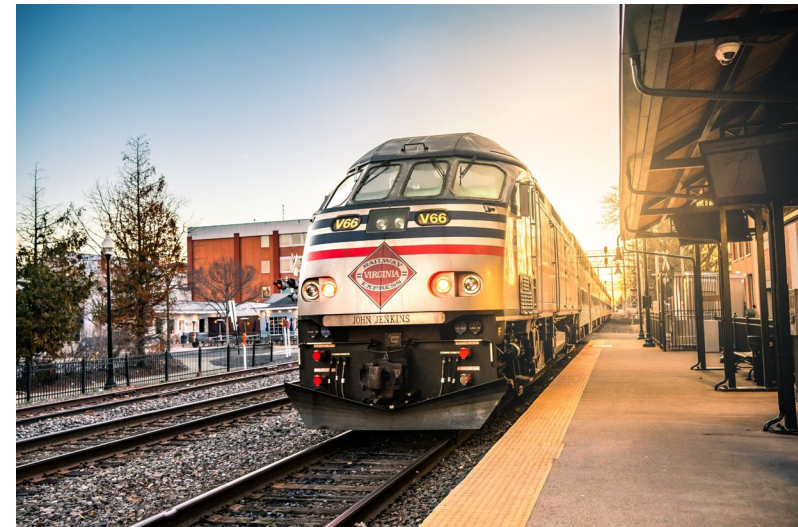
CURRENT



On the Horizon – 2030 Service Growth



- **Transforming Rail in Virginia** is opening the door for significant opportunities for VRE and other passenger rail
- VPRA's completion of the Long Bridge (anticipated 2030) will increase rail capacity and allow for VRE to run the increased service envisioned for 2030 through 2050.
- VRE's current Capital Improvements Program includes station and infrastructure updates throughout the system to ensure readiness to scale service and maximize the Commonwealth's investments.



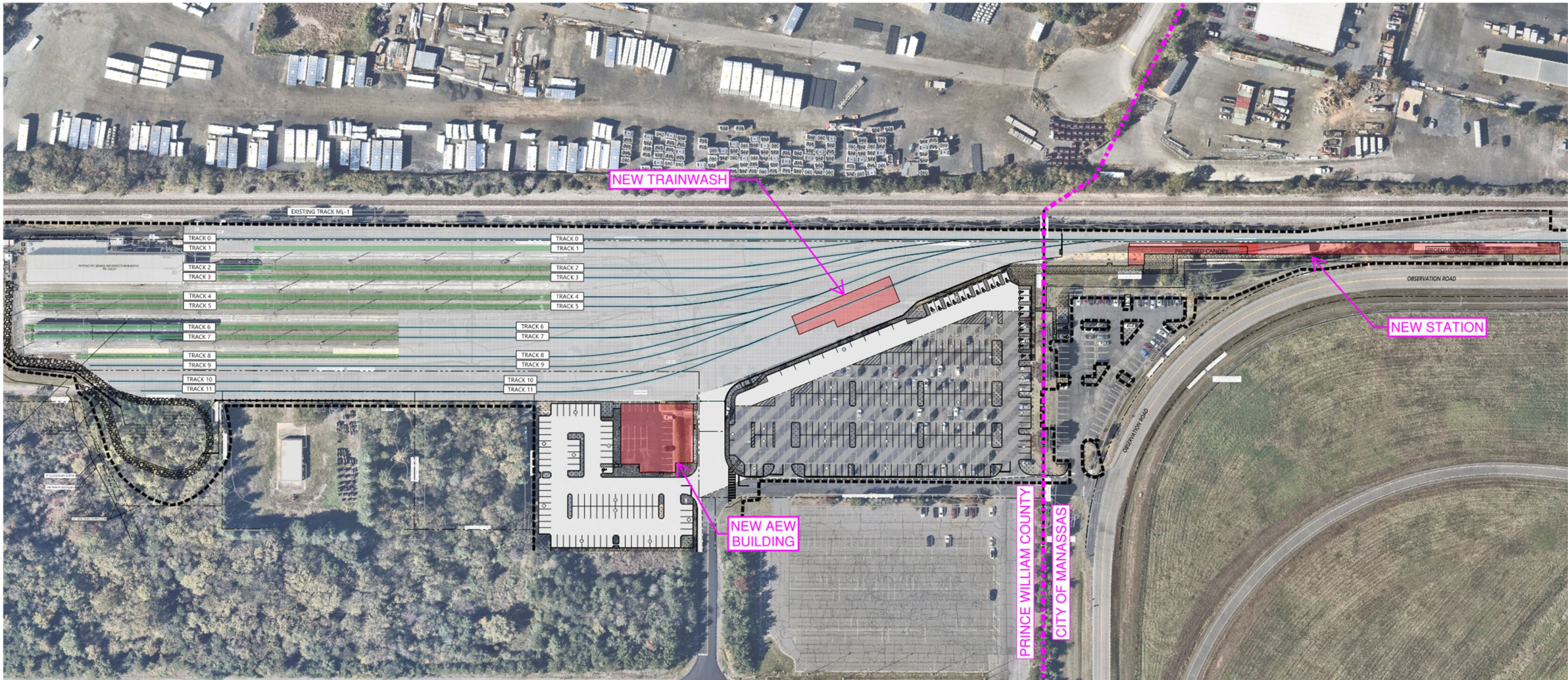
Train to Plane – Strategic Focus on Multimodal Connections



- Improving pedestrian connections between DCA and VRE Crystal City Station
- VRE Broad Run Station is also strategically located to support connection to Washington Manassas Airport.
- Looking beyond 2030, Broad Run Station and Rail Yard become increasingly integral to VRE's expanded operations.



Broad Run Expansion



Broad Run Expansion – Schedule and Opportunities



- **Complete: 90% Design
(January 2025)**
- **Q3 2026: 100% Design**
- **Q1 2027 - 2029: Construction**

- VRE is also exploring connections to the Nexus234 Innovation District
- Identifying opportunities to collaborate with area hotels and conference center





VIRGINIA
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EXPRESS

Thank You!

Together, we're driving progress and building a stronger, more connected future for our community.

1500 King Street, Suite 202,
Alexandria, Virginia 22314



800-743-3873





Passenger Facility Charges Program Overview

What are PFCs ?

- **Who can collect PFCs?**
 - Commercial service airports with scheduled service.
- **Where can PFCs be used?**
 - Any airport the public agency controls if the Public Agency controls a system of Airports.
- **How much can an airport collect?**
 - \$1, \$2, \$3, \$4, or \$4.50 per passenger.
 - Most Airports collect PFCs at \$4.50.
- **Pro Tips**
 - Airlines get to keep \$0.11 per passenger
 - Medium and large hub airports turn back a portion of their FAA AIP Entitlement Funding.
 - This is an Airport managed program with oversight by the FAA.
 - PFCs can be used for local share match of FAA AIP projects or stand-alone projects



What are PFCs ?

Generally, the same as FAA AIP eligibility except:

- Slight difference for noise projects.
- Additional eligibility for terminal projects.
- Debt service costs (both capital and financing [interest and related] costs are eligible).
- PFC administrative costs (costs for the public agency to administer its PFC program).
- PFCs can be used to reimburse historical PFC project eligible costs with some caveats.

PFCs are considered “local funding”, not federal funding

- If PFCs are used for a Federal AIP match, must use Federal requirements such as professional services, Davis Bacon wage rates, Buy America etc.
- If PFCs are used for a stand-alone project, must follow local procurement regulations but not Federal requirements.



PFC Project Types

Selection Criteria: Start Date: 1/1/1992, End Date: 12/31/2025						
Category	Project Type	Amount	% of Project Type	% of Category	% of Subtotal (w/o New Denver)	% of Total
Airside	Runway	13,692,242,253		44.7		
	Taxiway	5,864,745,527		19.1		
	Apron	3,985,089,427		13.0		
	Land	719,629,189		2.3		
	Equipment	3,087,128,095		10.1		
	Planning	771,899,547		2.5		
	Lighting	494,102,578		1.6		
	Other	2,013,275,740		6.6		
	Total	30,628,112,356		100.0	22.9	22.3
Landside	Terminal	82,503,696,720		94.1		
	People Mover	9,960,417,694	12.1			
	Terminal-Exp	26,538,593,635	32.2			
	Terminal-Misc	18,910,056,969	22.9			
	Terminal-New	27,094,628,422	32.8			
	Land	1,621,373,757		1.9		
	Security	3,507,296,281		4.0		
	Total	87,632,366,758	100.0	100.0	65.4	63.9
Noise	Land	582,776,831		13.0		
	Multi-phase	1,679,413,236		37.5		
	Soundproofing	2,094,347,161		46.8		
	Monitoring	21,506,898		0.5		
	Planning	24,684,170		0.6		
	Other	73,560,749		1.6		
	Total	4,476,289,045		100.0	3.3	3.3
Access	Road	5,231,190,866		46.5		
	Rail	5,901,964,465		52.5		
	Land	47,581,675		0.4		
	Planning	63,021,041		0.6		
	Total	11,243,758,047		100.0	8.4	8.2



Airports Collecting a PFC



FAA
Airports

Key Passenger Facility Charge Statistics as of December 31, 2025

Locations:

- Number of approved locations since inception: 407
- Number currently collecting: 365

Airport Category	Locations Currently Collecting	Collecting at Maximum \$4.50 level
Large	31	31
Medium	32	31
Small	77	75
Non-Hub	191	189
Commercial Service	34	33
Total	365	359

- All Large category airports are now collecting at maximum \$4.50 level.

Applications:

- Approved or partially approved: 3,035 applications

Collection Authority (total):

- Total amount of approved PFC Authority to collect: \$137.2 billion



PFC Applications

- **Two Types of PFC Applications:**
 - Notice of Intent
 - Streamlined and limited forms needed
 - Can be used by all Non-Hub Airports
 - Can also be used by Small, Medium and Large Airports if total PFC application is less than \$25 million and specific project related details.
 - FAA Processing is 30 days after receipt.
 - Traditional
 - More complicated forms and process to follow.
 - Used by small, medium and large hub airports if not able to use the “Notice of Intent” process.
 - FAA Processing is 120 days after Receipt



PFC Projects

- **Funding Approaches to PFC Projects:**

- Pay Go

- PFC Revenue can be disbursed against a project once it is received by the Public Agency.
 - PFC cash flow is a consideration.
 - Most PFC projects are funded via “Pay Go”.

- Bonded Capital

- PFC Revenue can be bonded and used to pay back airport development bonds. .
 - This type of financing is used primarily by larger airports and larger high dollar projects.
 - Bonded capital projects normally have a 30-year duration to service the debt.



PFC Application Process

Phase 1: Pre-Application & Project Development

- Project Identification.
- FAA Coordination (Optional but highly recommended).
- Confirm Project is shown on the **ALP**, **FAA Airspace Review** and **Environmental** for each project.

Phase 2: Airline Consultation & Notice

- Air Carrier Notification.
- Public Notice.
- Consultation Meeting with Airlines.
- Carrier Responses.



PFC Application Process (Cont.)

Phase 3: Application Submission & Completeness Review

- Application Preparation:
- Draft Submission (Optional but highly recommended).
- Final Submission:
- Completeness Determination (Traditional PFC Application)

Phase 4: FAA Official Review Period

- Traditional – 120 Days.
- Streamlined – 30 Days.

Phase 5: Final Agency Decision & Implementation

- Approval / Disapproval.
- Airlines Notification.
- PFC Collection & Remittance.
- Airport Oversight Reporting.

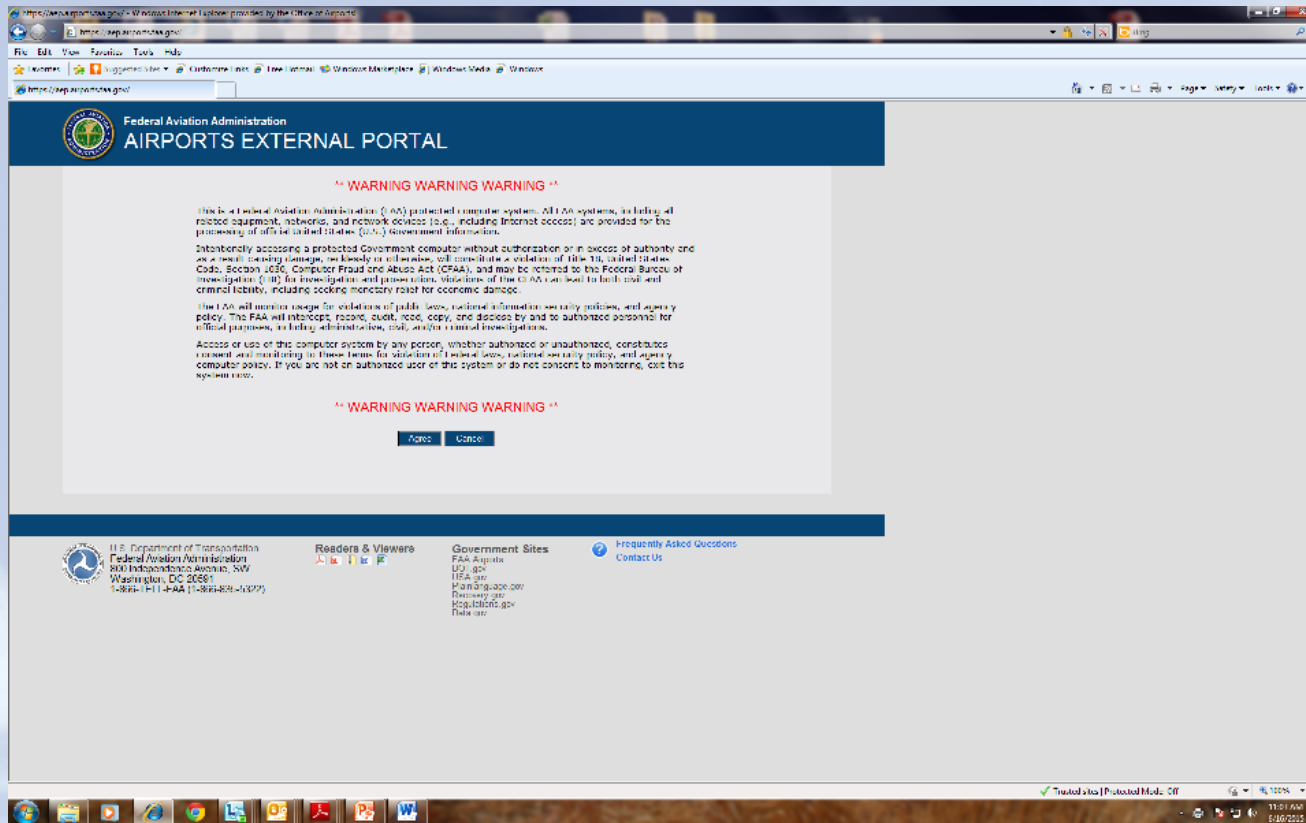


PFC Management – Public Agency

- FAA SOAR Database.
 - Monthly Input of PFC Revenue by Public Agency
 - Monthly Input of PFC Project Disbursements by Public Agency
- Quarterly PFC Reports Due to FAA via SOAR.
- PFC Amendments.
- 43C PFC Expiration Date Process.
- Annual Financial Audits.
 - Annual PFC Audits Due Around April 1



FAA SOAR Database



The screenshot displays the PTC Reporting System interface. On the left, there is a navigation menu with buttons for 'PTC Details', 'Reports', 'User Setting', 'Help', and 'Logout'. The main window shows a report titled 'PTC Reporting System'. The report includes a header section with 'Date Range' set to 'May 2015' and 'Report Type' set to 'Financial'. Below this, there is a table with columns for 'Date', 'Description', 'Debit', 'Credit', and 'Balance'. The table contains several rows of data, including a large credit entry for 'PTC General Balance' and a corresponding debit entry for 'PTC General Balance'. The report is generated by the PTC Reporting System.



PFC Summary

- PFCs are an excellent “tool” in the financial project funding toolbox.
- A PFC program requires monthly dedicated Public Agency dedicated staff time to manage.
- During the annual ACIP process with the funding agencies, it is helpful to include discussions on the overall PFC program for the airport and to use this meeting to inform the need for any new PFC applications.
- There is an annual financial costs to the Public Agency to “manage” a PFC program between monthly staff time and annual financial PFC audits.





Questions?



DRAFT FOR REVIEW AND REVISION

AIR SERVICE INCENTIVE PROGRAMS:

Regulatory Considerations, Benchmarking and a Five-Year Strategy



Washington Manassas Airport • August 2026

Matt Townsend, Director • Frasca & Associates, LLC



FRASCA & ASSOCIATES, LLC



PURPOSE

Designing an ASIP that complements the rate structure



Where this fits. The landing-fee methodology set the primary lever — how much of full cost the Airport chooses to charge. Its named next step was “completing the ASIP.” This deck is that step.

1

The primary lever is the rate



Charging a percentage of full cost recovery that rises over time is the main incentive — set in the methodology, not here.

2

The ASIP adds targeted encouragement



Within that framework, the ASIP minimizes start-up costs and lets the market mature in consideration of airline risk — waiving fees for genuinely new service.

3

A resource and a framework



Plain-language reference on the federal rules and peer programs, and a structure for the decisions HEF will revisit each year.





STAKEHOLDERS

What an ideal ASIP should achieve



City & Airport Commission

Confidence it's affordable.



The pro forma has to show the Airport stays financially healthy while the incentive is in place. Their question is financial.



Avports

The project's financial health.



Avports bears more early risk than the Airport — it backstops the airfield cost shortfall with no existing revenue base. The City has chosen to be accommodative and support the venture, while protecting itself.



Airlines

Simple and low-risk, early.



A clean, published, low-cost operating environment with minimal hoops in the first years.



“Playing ball” is a policy choice, not an obligation. The City is choosing to support the commercial venture; the methodology gives it the discretion to do so while keeping the presentation of cost transparent and the Airport protected.





LEVERS

Two forms of incentive, only one fee to work with



Two forms of incentives

1



Price below full cost

Charge a percentage of full cost recovery, rising over time as service matures. Charging below cost is itself an incentive — it applies to everyone, no application.

2



Waive fees for new service

Waive landing fees during each new route's FAA incentive window, up to 100%. This is the ASIP in the narrow sense.



Discretionary program, uniform incentives. The City decides each year whether and at what level to publish the program; once published, incentives apply on a uniform, non-discriminatory basis to any qualifying carrier — not case by case.



What HEF actually controls



- The landing fee is the City's primary aeronautical charge to waive.



- Fuel flowage fees are the other City-controlled charge that can be waived — treated in parallel with the landing fee, and kept distinct from GA rates.



- Terminal, apron, and gate charges belong to Avports under the Franchise Agreement.



- Avports is able to offer its own incentives, from its own pocket — as a private operator, not constrained by the FAA's air-carrier-incentive rules.





RULES

What the FAA lets an airport sponsor do



Governing policy

FAA Air Carrier Incentive Program policy, [88 FR 85344 \(Dec. 7, 2023\)](#) — supersedes the 2010 Guidebook — with the 2024 ACIP FAQs.

Rate base governed by the Rates & Charges Policy (78 FR 55330) and Revenue Use Policy (64 FR 7696); grant assurances 22–25.



1

Waive your own fees — don't write checks

No cash and no revenue guarantees from airport funds.



2

New service only, on a clock

2 yrs (new nonstop destination), 3 seasons (seasonal), 1 yr (new entrant, or a significant increase in capacity).



3

Target markets — not carriers

You may publish priority markets, but must offer incentives to any qualifying new service, and can't design the program around a specific carrier or type.



4

Publish; first-come, first-served

Publish ≥ 30 days ahead; a budget-limited program may go to the first qualifying carrier if disclosed.



5

No cost-shifting

The incentive's cost can't be recovered from other carriers or loaded into the rate base.





OPTIONS

At the Airport's discretion, republished annually



Incentive	Qualifying basis	Max duration
 Landing-fee waiver — new nonstop destination	Unserved destination	 2 years
 Landing-fee waiver — new seasonal service	Unserved destination, seasonal	 3 seasons
 Landing-fee waiver — new-entrant carrier	Carrier new to the airport	 1 year
 Landing-fee waiver — significant capacity increase	Meaningful added frequency / upgauge	 1 year
 Fuel-flowage fee waiver — new commercial service	Same basis as landing fee waivers	 2 years
 Airport-promotion marketing (reimbursement)	Promotes the airport, not the destination	 Tied to qualifying service



Discretionary, but uniform. The City decides annually whether and at what level to publish each option; once published, they apply uniformly to any qualifying carrier — the percentage is a dial, not case-by-case discretion.



Republished annually. Re-issued each year as market conditions and budgetary constraints warrant — options can be added, trimmed, or paused.





BUILDING BLOCKS

The questions every ASIP answers



What counts as “new” service?

A carrier new to HEF, or a nonstop route no one files here today.



When is a market “unserved”?

No nonstop service now. A look-back window (1–5 yrs) also stops game-playing — flipping a route seasonal ↔ year-round to re-qualify.



Seasonal or less-than-daily?

Seasonal = only part of the year. Many ULCC routes fly 2–4x weekly — incentives scale to match.



What’s a “significant” capacity increase?

The FAA’s third “new service” category — a sponsor-set threshold for net seat-capacity growth on a route already flown. It grows existing service; HEF’s program targets genuinely new markets, so it isn’t offered.



Marketing support?

Airport dollars promoting the airport (not the destination), reimbursed against invoices. HEF proposes no cash subsidy — but promotes new service in the normal course (website, staff time) and points carriers to the Commonwealth’s marketing fund.



Revenue guarantees?

A minimum-revenue backstop — permissible only from a third party (e.g., a destination community). The airport itself cannot offer one: using airport revenue this way is strictly prohibited under the FAA’s revenue-diversion rules.





COMMERCIAL CONTEXT

Planning into HEF's expected initial operating environment



First service ~ November 2027

Part 139 transition underway. No incumbents, no legacy rate expectations.



ULCC-shaped, outbound demand

Leisure / VFR, 2–4x weekly, seasonal peaks — DC-suburb residents flying out, not a business hub.



A ULCC likely the first mover

Cost-sensitive ULCCs have a preference for serving secondary airports



Split cost structure

City charges the landing fee; Avports sets terminal / apron / gate — airlines weigh a combined bill.



Thin, volatile early activity

Real churn: ULCCs are quick to exit underperforming markets if volume doesn't materialize or after incentives run out.



Competition is a design question

If a rival chases a market, first-come, first-served and the unserved-market test keep HEF from subsidizing a purely competitive response.





PROGRAM INTEGRITY

Things to watch — and how one can design guards against them



1.

**Seasonal ↔
year-round flip-flopping**



Risk: A carrier cycles a market seasonal, drops it, then returns calling it “new year-round.”



Guard: The look-back definition of “unserved” disqualifies recently-served markets.

2.

**Capacity dumping
to squeeze a rival**



Risk: Another airline floods a competitor’s market with no intent to stay — using HEF’s ASIP to fund anti-competitive behavior for free.



Guard: First-come, first-served: the market’s incentive is already claimed; a purely competitive follow-on isn’t subsidized.

3.

**Launch, collect,
leave**



Risk: A route runs just long enough to bank incentives, then exits.



Guard: Clawback of waived fees, plus a commitment to operate through the incentive period and an after-period “tail.”





COMPARABLES

Which airports are the right comparison



	Airport / sponsor	Airlines serving	Annual epax (000s)	Dest served	Avg daily departing flights/seats	Service since	Why it's a comparable for HEF
 MYR MYRTLE BEACH	Myrtle Beach Int'l Horry County Dept. of Airports	AA•DL•F9•G4•LF•MX•NK•SY• UA•WN•XP	1,702	62	43 / 5,557	Pre- Dereg	Mature ULCC leisure market — every low-cost carrier present; the model.
 SFB ORLANDO SANFORD	Orlando Sanford Int'l Sanford Airport Authority	DM•G4	1,448	72	29 / 5,150	1995	All-Allegiant leisure hub; a published 100% fee-waiver ASIP — the strongest fee-waiver comp.
 DAB DAYTONA BEACH	Daytona Beach Int'l Volusia County	AA•B6•DL•MX•XP	367	15	10 / 1,383	Pre- Dereg	Leisure market; legacy + ULCC (incl. Breeze) with a published fee-waiver program.
 ILG WILMINGTON	Wilmington Delaware River & Bay Authority	XP	163	13	4 / 711	2022	Secondary airport near Philadelphia; a ULCC base.
 SWF NEW YORK STEWART	New York Stewart Int'l Port Authority of NY & NJ	G4•MX	135	8	2 / 409	1990	Exurban NYC airport in the Hudson Valley; ULCC service.
 LAL LAKELAND	Lakeland Linder Int'l City of Lakeland	XP	89	10	3 / 511	2024	GA-heavy field adding commercial; a new ULCC base.
 DTX MCKINNEY	McKinney National City of McKinney	XP	—	5	n/a	2026	GA → Part 139 transition, like HEF; a ULCC launch.

Airlines: AA American • B6 JetBlue • DL Delta • DM Arjet • G4 Allegiant • LF Contour • MX Breeze • NK Sun Country • SY Avelo • UA United • WN Southwest • XP Avelo. Epax '25 = T100 CY2025 onboards (000). Airlines serving and seats / flights / destinations = Diio Mi CY2026.



BENCHMARKS

What the comparable programs offer



Provision	 HEF WASHINGTON MANASSAS	 MYR MYRTLE BEACH	 LAL LAKELAND	 DAB DAYTONA BEACH	 SFB ORLANDO SANFORD	 SWF NEW YORK STEWART	 DTX MCKINNEY	 ILG WILMINGTON
Landing-fee waiver (max)	100%	100%	100%	100%	100%	Yes*	None	n/d
Landing-fee waiver duration	24 mo	24 mo	24 mo	12 mo	24 mo	24 mo	n/a	n/d
Fuel flowage fee waiver	100% Year 1/ 50% Year 2	None	None	None	None	None	None	None
New-destination incentive †	Yes	Yes	Yes	Yes	Yes	Yes	Yes	Yes
New-entrant / seasonal differential	None	Yes	Disc.	seasonal	seasonal	None	seasonal	n/d
Marketing support	None	\$200K	\$10K/dest	\$125–400K	\$50–200K	Yes*	\$50–200K	\$0.5–1M/yr
Program / carrier cap	None Yr1	\$1.5M	None	None	n/a	n/d	\$1M / \$750K	~\$0.5–1M
Clawback — fee waiver / marketing	None Yr1 / n/a	None / Yes	Disc. / Disc.	Yes / Yes	None / None	n/d / n/d	n/a / Disc.	n/d / n/d

HEF proposed • MYR Myrtle Beach • LAL Lakeland Linder • DAB Daytona Beach • SFB Orlando Sanford • SWF NY Stewart • DTX McKinney • ILG Wilmington.

*Yes = offered/recaptured • Disc. = discretionary/unspecified • None = not offered • n/a = not applicable • n/d = not apliclosed • *Offered, amount not itemized.*

†New-destination incentive = an incentive keyed to a new nonstop market (waiver, marketing, or both). DAB per its published program (confirm current-year);

SFB may restrict a route's incentive to the first carrier; ILG terms in a non-public signatory contract (DRBA not FOIA-subject) — n/d, not "none."



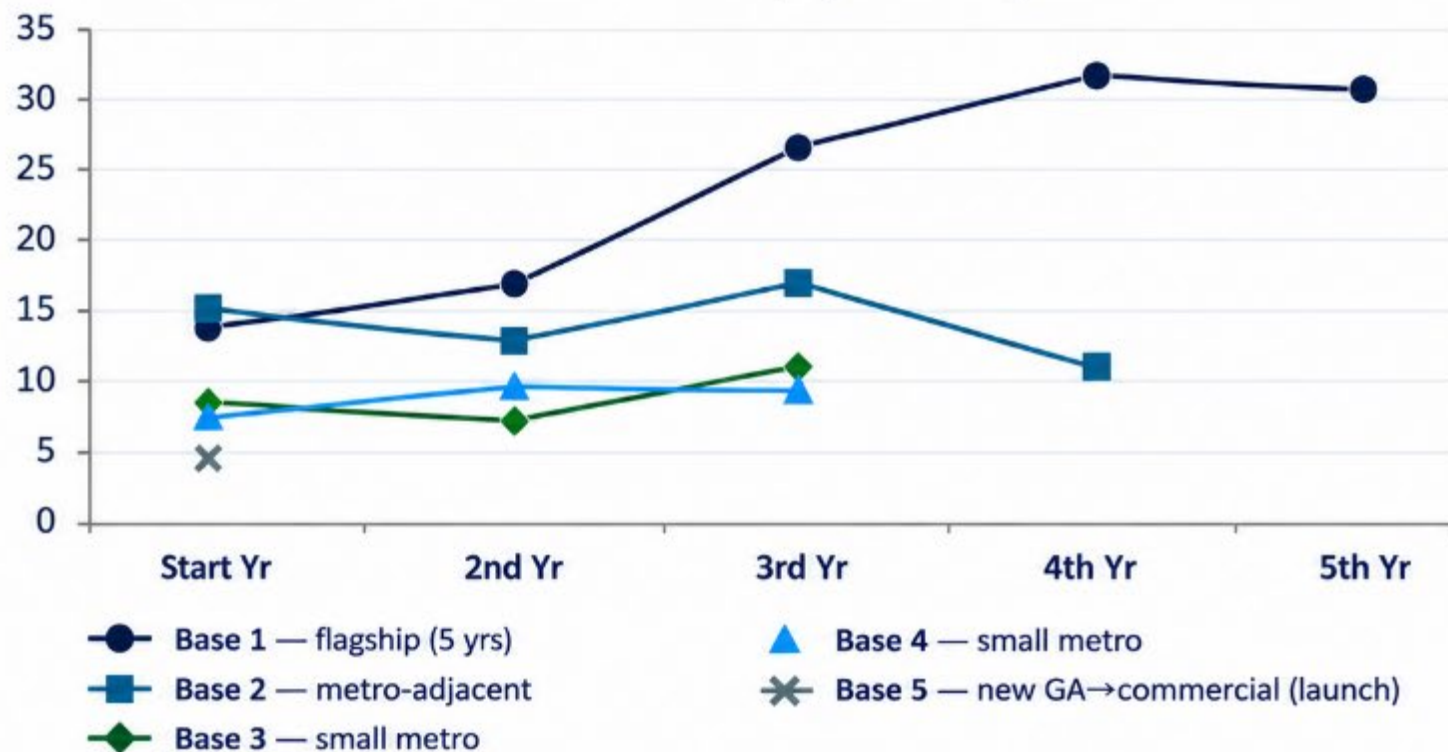


CASE STUDY

How one ULCC actually builds a base — four real cases



Destinations served, by service year



Source: Cirium monthly schedules, 2021–2026 (one representative ULCC's bases); launch case reflects a comparable GA→Part 139 opening.

Why this basket



A basket of comparable low-cost bases — chosen to show a general growth pattern, not to profile any single carrier or market.



The typical arc: open with a handful of nonstop markets and a few aircraft, expand quickly for two to three years, then prune and churn as some routes don't hold.



A brand-new GA→commercial launch opens around five markets — HEF's likely starting point.



Incentives time out: a route is under the program only ~24 months — see the deep dive next.



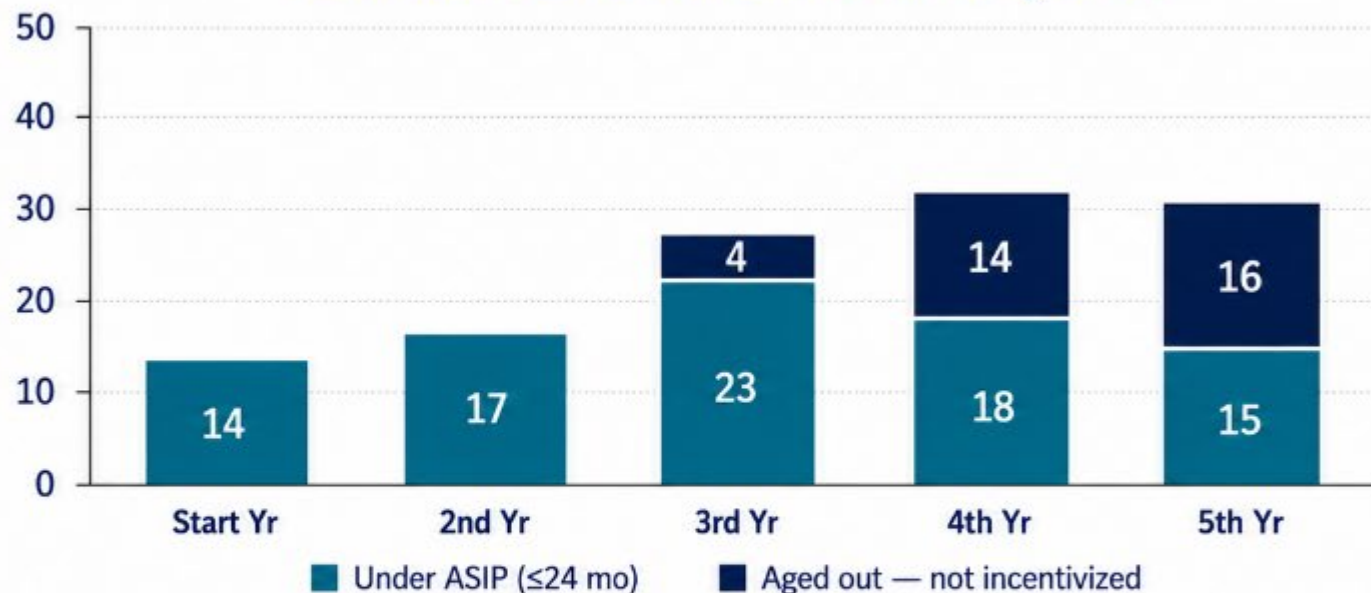


HVN DEEP DIVE

Evolution of incentives if every market got the FAA maximum



Destinations served: incentivized vs. aged out



The churn behind the lines



Start: 14 nonstop destinations

2

Year 2: +3 → 17

3

Year 3: +10 → 27

4

Year 4: +6, -1 → 32

5

Year 5: +4, -5 → 31 (about a third of the year-5 network turned over)

Illustrative: actual program unknown; assumes each route gets the maximum FAA window (seasonal would differ).



Recommended clawback policy

Start light — no clawback in Year 1; the priority is launching service, mirroring MYR and LAL, which don't recapture waived landing fees.

Re-evaluate as the program matures: once the base is established, the City can layer in forfeiture of future incentives and/or a pro-rata recapture of waived fees on early exit — with the unserved-market look-back and first-come rules doing the heavy lifting throughout.





RECOMMENDATION

A simple program built from prospective tenant-provided forecast



Tenant-provided forecast



First service

Assumed to begin ~November 2027.



Based aircraft

Year 1 → Year 5: 3 → 7 aircraft.



Daily departures

Average daily commercial departures, Year 1 → Year 5: 6 → 24.



Enplaned passengers

Year 1 → Year 5: 302k → 1.07M.



Landed weight

Year 1 → Year 5: 320k → 1,042k (000 lbs MGLW).



Fleet

Boeing 737-800 early, shifting toward Embraer 195-E2.



Calculated from the forecast



Full-cost-recovery rate

Derived in the rate model from the forecast landed weight — not a tenant input.
Year 1 → Year 5: \$8.06 → \$4.06 per 1,000 lbs. Falls as landed weight grows, then rises in Year 5 as the capital program is amortized into the rate base.



Recommended HEF ASIP



Qualifying service

- **Landing-fee waiver:** A new nonstop market; first-come, first-served, with no separate new-entrant or seasonal differential (prevents cannibalization).
- **Fuel-flowage-fee waiver:** Same eligibility as the landing-fee waiver, but expanded to include any service by new-entrant airlines (including overlapping nonstop markets).



Landing-fee waiver

100% on qualifying service, up to 24 months; uncapped in Year 1, re-evaluated against budget later.



Fuel-flowage waiver

100% in Year 1 and 50% in Year 2 of qualifying service. Independent of any waiver, the commercial fuel-flowage rate is set at \$0.03/gallon — a volume discount versus current GA rates of \$0.135–\$0.140/gallon.



Clawback

None in Year 1; re-evaluated as the program matures.



Underlying rate

Complements the below-full-cost landing fee, which graduates toward full cost recovery.



Marketing & promotion

No City subsidy or guarantee; the airport promotes new service through its own channels and points carriers to the Commonwealth's fund.





5-YEAR GLIDE PATH

Charging a rising share of full cost over time, with waivers on top



	Year 1	Year 2	Year 3	Year 4	Year 5
Based aircraft (tenant forecast)	3	4	5	6	7
Avg daily departures	6	11	16	21	24
Destinations served (assumed)	12	16	20	24	28
Charged rate (% of full cost)	0%*	20%*	40%	60%	80%
New-service landing-fee waiver	All (\$0)	Rolling 24-mo	(rolling)	(rolling)	(rolling)
% landed weight under ASIP	100%	100%	67%	36%	31%
Fuel-flowage fee	All (\$0)	50% discount	None	None	None
Clawback of waived fees	None	None	None	None	None
Program review	Adopt	Republish	Republish	Republish	Republish



Assumptions & program mechanics

- *Net landing fee collected in Years 1–2 is ~\$0: a cost-recovery rate is published (rising to 100% by Year 6), but every early-ramp route is a qualifying new market and is fully waived. Assumes no competing same-market service, which would not qualify (anti-cannibalization).
- Forecast rows are the tenant-provided ramp — ~4 destinations per based aircraft; coverage falls as early routes pass 24 months.
- The table shows what the program plans to offer each operating year — fuel-flowage and clawback read “None” because they’re set as the program is republished annually, not fixed now.
- Incentives vest by program year: a route keeps its full award even if a later year’s program is trimmed.
- Scope: assumes only the tenant-provided forecast — no additional carriers or service.



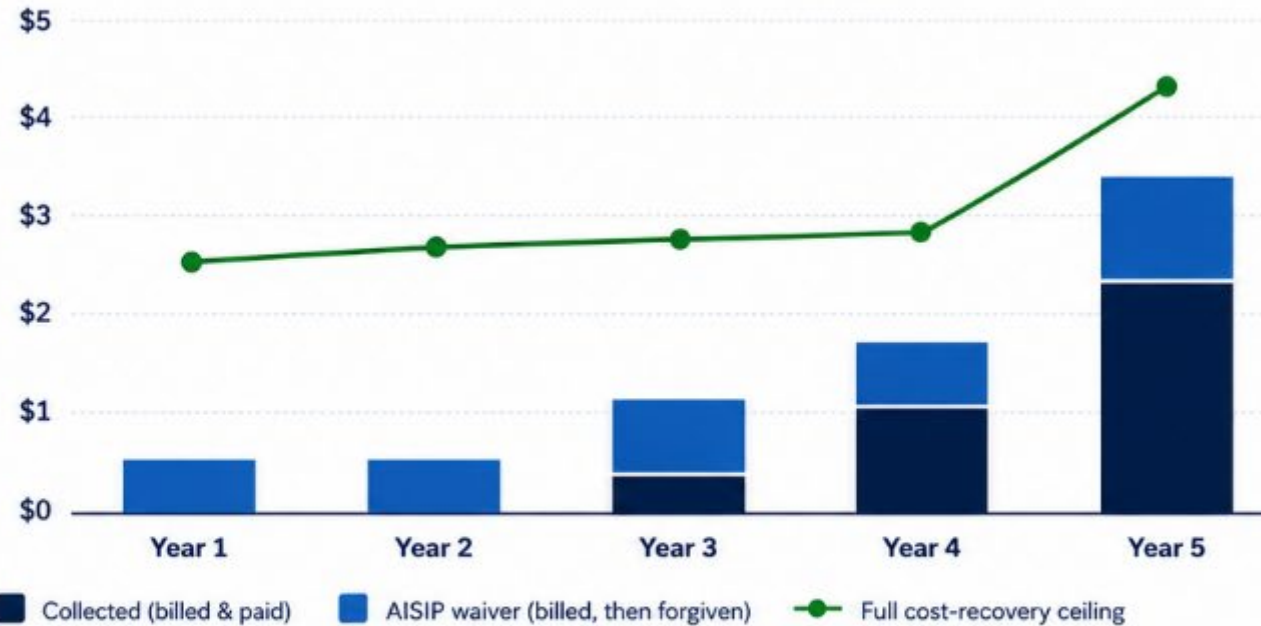


FINANCIAL IMPACT

Landing fee revenues HEF is forecast to collect using this approach



COMMERCIAL LANDING FEES (\$MM)



FOREGONE AIRFIELD REVENUE
\$2.58M → \$1.89M
below-cost rate early; ASIP waiver tapering — full cost recovery in Year 6

AIRPORT NET OPERATING INCOME STAYS POSITIVE EVERY YEAR
\$1.15M → \$4.21M
net of the landing-fee and fuel-flowage waivers

READING THE CHART

- Bars** = what airlines are billed (collected + waiver); the green line is full cost, the ceiling.
- The gap between them is below-cost pricing — it narrows as the charged rate climbs **20% → 80% by Year 5**, reaching **100% in Year 6**.
- Foregone airfield revenue** (full – collected): **\$2.58M → \$1.89M** — below-cost rate early, ACIP waiver tapering out.
- Commercial **fuel-flowage fees also waived** — 100% Year 1, 50% Year 2 (~\$0.3M total) — then collected in full.
- Airport net operating income stays positive every year** (\$1.15M → \$4.21M), net of both waivers.

Pro forma v3.2 • charged-rate path 20/20/40/60/80% → 100% (Year 6) • fuel-flowage waiver 100%/50% Yr 1–2 • ASIP coverage 100/100/67/36/31% (quarterly aircraft phase-in).



YEAR 2 AND BEYOND

The framework going forward



1

How fast to raise cost recovery

The 0→80% path (100% in Year 6) — revisited each year against what the market and pro forma can bear.



2

Annual budgeting and caps

Set each year's program against an adopted budget — whether to cap total waivers or marketing, and align with the City's appropriation cycle.



3

Keep it simple, or differentiate

Hold Year-1 simplicity, or add seasonal / market differentiation as service matures.



4

Clawback / durability posture

How firmly to tie incentives to staying, given ULCC churn.



5

Coordinate with Avports & the Commonwealth

Align City landing-fee incentives with Avports's terminal-side incentives and Commonwealth marketing funds.



6

Confirm the inputs

ASIP-coverage forecast; the refreshed cost-recovery path; fuel-flowage phase-in.





COMMONWEALTH RESOURCES

Commonwealth funds that complement the City's program

HEF
MANASSAS



Governor's New Airline Service Incentive Fund



Commonwealth marketing-reimbursement grant for airlines launching new nonstop service at Virginia airports (Code of Va. § 2.2-2320.1) — marketing and promotion only, no fee waivers.



Carrier-directed: fills the gap the City's ASIP leaves — the City offers no marketing subsidy, but Commonwealth dollars can.



Capped and matched: up to \$250K per airline, tiered by service type, over the first 12 months, with a dollar-for-dollar local match and repayment if frequency isn't maintained.



Established but lightly tapped to date — a small, non-reverting fund that carries into the new Commonwealth administration; available headroom for a new HEF carrier.



Official program page: doav.virginia.gov/funding-programs



How HEF would use Commonwealth resources



Point interested carriers to the Commonwealth fund for marketing support the City itself is not offering.



Clean division of roles: the City waives airfield fees, the Commonwealth can fund carrier marketing, and Avports handles the terminal side.



The marketing lever HEF's own program deliberately leaves out — peers that market with local dollars use their own funds; HEF can lean on the Commonwealth instead.



Best positioned to a prospective carrier as found money that complements the landing-fee waiver — a bonus, not a program cornerstone.



HEF would also use the Commonwealth's Aviation and Airport Promotion Fund to promote the new commercial service from the Airport.

