



ALLEGIANT'S HISTORY IN FLORIDA

by **Sonya Padgett**, Allegiant Media Relations



Photo courtesy: Allegiant Airlines

In 2005, Allegiant started its Florida service with four routes to Orlando Sanford International Airport. The gutsy airline that envisioned a new business model for commercial aviation was once again trying something new: it would, for the first time, offer its ultra-low-cost service to Midwesterners vacationing in Florida.

If the service was successful, Allegiant planned to offer additional routes. If it wasn't, the company would simply end the service and try somewhere else. Maintaining that operational flexibility is at the core of Allegiant's business model, says Kristen Schilling-Gonzalez, the airline's managing director of network planning. "We're not afraid to fail with a route. Our approach allows us to be innovative and try new things," she says.

The response from leisure travelers was overwhelmingly positive. They wanted the new, affordable service to a city that offered them direct access to Florida's popular theme parks and beaches. In fact, Allegiant's experiment was so successful that, over the past 15 years, the airline's service to Sanford has grown from four routes to 73. And the company didn't stop there.

Today, Allegiant offers service to eight Florida destinations, flying nearly eight million leisure travelers in and out of the Sunshine State every year. And of the airline's 510 routes it flies around the United States, 262 of those are to those Florida cities: Fort Lauderdale, St. Petersburg, Punta Gorda, Sanford, Destin, Sarasota, West Palm Beach, and Jacksonville.

Since Chairman and CEO Maurice J. Gallagher restructured the airline to a low-cost model and moved the headquarters and operations to Las Vegas in 2001, Allegiant has become one of the world's most innovative and successful travel companies, dedicated to making leisure travel affordable and accessible to all. Linking travelers with nonstop flights to top vacation destinations such as Las Vegas, Orlando, Miami and Asheville, Allegiant offers ultra-low base fares and unique savings on bundled packages, allowing flexibility and convenience in booking flights, hotels and car rentals.

The company's business model is based on connecting small to mid-sized markets with those destinations, usually through secondary airports such as SFB, VPS, PGD, PIE, FLL, PBI, JAX and SRQ. That's another strategic decision

that helps Allegiant keep operational costs down. Those secondary airports are more affordable to serve compared to primary airports in destination markets.

“There are only so many costs you can control with an airline and one of those is choosing where we fly. That has an impact on the fare we offer our customers,” Schilling-Gonzalez says. “And lower fares stimulate more interest in flying, which allows us to grow our service.”

But Allegiant and its customers aren't the only beneficiaries of its business model. The airports and communities benefit, as well, through consumer spending on parking, rental cars, restaurants, hotels and retail.

Allegiant's operations in Florida generate a significant amount of annual economic impact for the state, according to an economic impact study conducted by Campbell-Hill in 2019. More than 51,691 Florida jobs are supported by Allegiant's presence in the market. Overall, the state of Florida benefits from \$5 billion in economic impact brought by Allegiant operations.



Photo courtesy: Allegiant Airlines

Florida is so important to Allegiant's operations that, in 2017, the company opened its only east coast training center in Sanford, where the airline's pilots and flight attendants receive annual training.

In 2021, Allegiant Travel Company's first resort, Sunseeker Resort Charlotte Harbor, is scheduled to open in Charlotte County, Florida. The one-of-a-kind resort, featuring a hotel with extended stay suites, will increase the company's impact on Florida. The project marks an important step in Allegiant's evolution as a travel company, offering customers more opportunity for leisure experiences.

“For a small airline from Las Vegas that twenty years ago offered just one route with one aircraft, we've certainly come a long way,” says Keith Hansen, vice president of government affairs for Allegiant. “We appreciate our airport and community partners who help us make it possible for Florida tourists to conveniently and inexpensively experience all that the Sunshine State has to offer. We couldn't be happier with our Florida service and look forward to making it bigger and better every year.”



Photo courtesy: Allegiant Airlines

PUNTA GORDA AIRPORT

by Kaley Miller, Marketing and Communications Manager

Punta Gorda Airport (PGD) has seen record passenger growth annually since 2012 thanks to its successful low-cost airport model and fruitful relationship with Allegiant Air. PGD's CEO James W. Parish, P.E. credits creative leadership and staff's hard work for leveraging Hurricane Charley's destruction to envision the airport's transformation.

While the airport was activated as the Punta Gorda Army Airfield in 1943 to serve as training for World War II combat flight training, it mainly served as a general aviation airport for the rest of the 20th century. In the aftermath of 2004's Hurricane Charley, airport management tackled construction of a passenger terminal, Air Traffic Control Tower, firefighting facilities and air service development.

After researching the models of some European airports, PGD embarked on a no-cost solution to market to ultra-low cost carriers (ULCCs) like the startup Skybus Airlines. With the airport's great location adjacent to I-75 and the pioneering spirit of its leadership, management garnered temporary success with Skybus and proved that the low-cost airport model could work. In 2007, Skybus Airlines brought the first commercial air service to PGD since 1984, and the airport served its passengers out of a basic 16,000-square-foot terminal with two gates.

Although Skybus went out of business in 2009, PGD gained new airline partners with Direct Air and Allegiant Air, and was also briefly served by Vision in 2011 and Frontier in 2016-17. Although Allegiant is currently the only commercial carrier at PGD, the airport has grown to be Allegiant's fourth largest base and now provides low-cost nonstop service to 47 cities. PGD's management recognizes that other airports have also followed suit, and airport competitors have started offering low-cost incentives to entice airlines that are also dealing with aircraft and pilot shortages.

Even though PGD offers Allegiant a low-cost structure the airport has seen other significant investments from Allegiant over the years, namely \$478,000 in fuel farm infrastructure installed in 2018. Allegiant also pays PGD monthly for hangar space and office space, and contributes to fueling-related expenditures, so the relationship is mutually beneficial and cost effective for both parties.

PGD reaps extensive economic benefits of Allegiant's success, including ancillary passenger revenues associated with parking lots, food concession, ground transportation and rental cars. PGD uses these airline-related funds, plus its t-hangar rents, ground/office leases and fuel sales to maintain a strong financial position and more than \$13 million in cash reserves.

Revenues are strategically re-invested in capital improvement projects outlined in the airport's 2018 Master Plan Update. CCAA collects no ad valorem (property) taxes, therefore no local tax money is used in airport operations or expansion. The airport authority a nontaxing entity and operates as an enterprise fund.

Over the last 10 years, the airport's strategy has been to meet increased customer demand with incremental improvements



Photo courtesy: Punta Gorda Airport

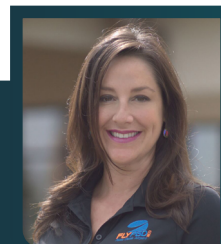
and additions that stress function over fashion. In 2015, PGD expanded the Bailey Terminal to nearly 60,000 square feet.

In addition to airport revenues, continued grant funding from FDOT is necessary for security and traffic improvements, new roadways and additional parking lots, etc. Funding from FAA and user facility charges are also planned for rehabilitation of runways, ramp surfaces and wetland mitigation, along with several other projects.

PGD's economic impact increase from 2010 was more than nine-fold, reaching \$1.275 billion in 2018 according to the FDOT's Statewide Aviation Economic Impact Study. While on-airport full-time jobs are estimated at 500, the study estimates total employment with multiplier impacts at 12,392, and a total economic output of \$1.275 billion.

Allegiant passenger traffic was up 4% in 2019 over 2018. The airport is expecting continued growth with Allegiant's expanding presence in southwest Florida; namely its new Sunseeker Resort in Charlotte Harbor which is currently under construction.

Passengers will continue to see near-term improvements at PGD in 2020, including 500 new spaces with the construction of a new long-term parking lot. The Bailey Terminal's concessionaire will expand "The Junction" with a 50-seat restaurant/bar with windowfront runway views. Runway 15-33 will be rehabilitated and extended to 6,281 feet long – allowing for Allegiant to use it while Runway 4-22 is rehabilitated in the years following.



Kaley Miller is Punta Gorda Airport's Marketing and Communications Manager.

ST. PETE-CLEARWATER INTERNATIONAL AIRPORT AND ALLEGIANT

by Michelle Routh, Public Relations Director, St. Pete- Clearwater International Airport (PIE)

SOARING TO NEW HEIGHTS

Announcing a new airline in 2006, after losing three major airlines in 2004, was an exciting day for St. Pete-Clearwater International Airport (PIE). PIE experienced a major downturn when annual passenger traffic dropped from 1.3 million to 390,000 in a single year. The future became a lot brighter when Maury Gallagher, founder and CEO of Allegiant Air, announced new service as “The Official Airline for Sunshine” starting off with 12 destinations to/from PIE.

Allegiant transformed air service at PIE and boosted our tourism economy in the St. Pete-Clearwater area with over \$1 billion in economic impact and 7,000 jobs. “Allegiant and PIE’s role in our destination’s growth has been astonishing”, said Steve Hayes, President & CEO for Visit St. Pete/Clearwater. “A vacation to St. Pete/Clearwater has become accessible to millions of people each year because of a partnership that allows visitors to discover the diversity of our world-class destination, including America’s No. 1 Beach, Clearwater, and St. Pete’s unparalleled art scene.”

Today, Allegiant provides non-stop service from 53 cities to PIE. To encourage continued growth and attract new service, PIE strives to maintain a competitive Cost Per Enplaned Passenger (CPE), with a \$2.04 (2018) compared to the small-hub industry average of over \$8.

Affordable and convenient air travel is part of PIE’s identity. In the first three quarters of 2019, PIE’s average round-trip domestic airfare (\$125) ranked 7th- 11th lowest of over 400 U.S. airports (\$350 national average) for the first three quarters of 2019. Given that Allegiant is over 95% of our commercial air service, the reason is evident. Allegiant’s influence, especially in Florida, becomes quite compelling when you consider only two airports that are predominantly served by Allegiant (PIE and Orlando-Sanford), achieved both a top ten average airfare ranking and a top 100 passenger traffic ranking among the nation’s 519 commercial service airports.

PIE ranks third in the number of Allegiant passengers served annually, behind only Orlando-Sanford and Las Vegas. PIE marked its fifth consecutive year of record-breaking passenger traffic in 2019 and totaled an astounding 487% increase since Allegiant began service at PIE 13 years ago.

PIE’s concession operations benefited significantly by the passenger surge. After years of separate contracts for News & Gifts and Food & Beverage Concessions, the growth of Allegiant lured a new master concessionaire contract in 2019 with Hudson SSP, bringing in a mix of national and local brands. Completing a comprehensive roadway and parking renovation this spring, parking and rental car spaces will expand by 33% overall. Concession developments at PIE improve the customer experience and boost revenues.

ST. PETE-CLEARWATER INTERNATIONAL AIRPORT
PIE



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Photo courtesy: St. Pete-Clearwater International Airport

This growth greatly impacted PIE’s capital improvement programming. In 2019, Allegiant increased its Ticket Counter presence after the airport completed a new In-line Checked Baggage Inspection Facility to process baggage more efficiently. PIE also completed a 12,000 square foot passenger hold room addition to our terminal with expanded TSA checkpoints and concession areas. These projects followed a 2010 major terminal renovation adding hold room space and two jet bridges.

PIE will present a new Airport Master Plan to the Pinellas County Board of County Commissioners in the coming months which will set the stage for the next five to twenty years of capital planning. Future capital improvements include further terminal expansion and airfield development. Airport Director Tom Jewsbury adds, “We are excited about the future. We are just completing several important projects, including our updated Federal Inspective Service Facility (“Customs”) as we begin our next chapter with a new Master Plan. Being proactive is key to our success as partners.”

Allegiant is also investing in their future at PIE, building a new 26,000 square foot Operations & Services facility adjacent to the airfield. This consolidates several spaces that Allegiant leased into one airside facility improving operations for their over 15,000 annual PIE flights.

Beyond the compelling data are the human moments. Families with homemade posters welcoming Grandma, January visitors peeling off layers of winter clothes as they deplane, the young Ohio boy on Allegiant’s “Make-A-Wish” flight that wanted to swim with his family, the Kentucky woman returning to her favorite beach before losing her battle with cancer, the Army soldier meeting his new born daughter for the first time, the countless education tours for students, and special needs groups, are all examples of how PIE partners with Allegiant.

In 2011, Honor Flight of West Central Florida (HFWCF) began flying Veterans from PIE on Allegiant charters to Washington D.C. to visit their war memorials and greet them with a rousing welcome home celebration thanking them for their service. Over 2,500 Veterans have been honored at PIE and there is an overwhelming abundance of appreciation from the crowds attending and the Veterans in return. When you ask a 90-year-old Veteran how his Honor Flight day was, and he tells you, “It was the best day of my life,” you understand how together we make a difference.



Photo courtesy: St. Pete-Clearwater International Airport

TOP 40 UNDER 40



OF FLORIDA'S AVIATION PROFESSIONALS WERE RECENTLY RECOGNIZED IN AIRPORT BUSINESS MAGAZINE'S ANNUAL "TOP 40 UNDER 40" AVIATION PROFESSIONALS.

FLORIDA'S WINNERS INCLUDE:



JAMES HANNEY

James Hanney is a Senior Manager of Procurement for Tampa International Airport, where he focuses on capital improvement and master plan projects. Over the last six years, James has been responsible for the procurement of various design-build, design professional, continuing consultant, and construction contracts.

These contracts include facilitating competitive solicitation processes for a new Automated People Mover System, an On-Airport Vehicle Rental Concession, curbside expansion, parkway expansion, and a new central utility plant. James has also been instrumental with executing the successful implementation of the Job Order Contracting and Owner Direct Purchasing programs.

Additionally, James has facilitated the procurement process for nine artwork commissions, which resulted from over 750 applications from artists. The successful art program was recognized by Forbes Magazine in February 2019 as being "...one of the most ambitious airport public art programs in the United States"

(<https://www.forbes.com/sites/christopherelliott/2019/02/09/a-cool-new-way-to-destress-at-the-airport/#73b1de5f539f>)



JAMES HESS

James Hess has been a representative of the Lee County Port Authority for more than 15 years. As the Airside Operations Manager, James and his staff are responsible for maintaining the FAR Part 139 Certification Program, which ensures compliance with federal standards, developing the department's airside operations budget, ensuring airport programs are current with industry standards, and overseeing the airport wildlife program. James is a trained wildlife canine handler and a member of the airport's Hazardous Wildlife Working Group.

James has a strong passion for leadership and developing his team is one of his top priorities. He is the current Vice-Chair for the Florida Airports Council (FAC) Operations Committee and was recently chosen as one of the 40 under 40 by Airport Business Magazine. James graduated from Embry-Riddle Aeronautical University with a bachelor's degree in Aviation Business Administration and is an airport certified employee through the American Association of Airport Executives.



JULIANA PEÑA

Juliana Peña joined Orlando International Airport's Marketing and Air Service Development team in December 2015. Currently, she is Manager, Air Service & Business Development, where she recruits airlines to MCO, and works with local businesses and community partners to increase awareness MCO's non-stop routes.

Juliana brought over ten years of experience in economic development and international business development to MCO. She has worked with Orange County Government, Enterprise Florida and the Orlando Economic Partnership. Although Juliana did not have an aviation background, traveling and airplanes have always been her passion. For her, joining the team of a crucial economic engine such as the airport is what she calls "the cherry on top" of her career thus far.

Juliana's extensive knowledge of international cultures and multicultural communications has significantly helped to shape the strategy to pursue and build the relationship with airlines in Latin America and the Caribbean. Being able to communicate in Spanish, French, and Portuguese has enabled Juliana to build rapport with airline partners. For instance, she was instrumental in the return of GOL airlines to MCO, overseeing the project from proposal to wheels down. Most recently, she worked with Aerolíneas Argentinas to help seal the deal announcing the coveted MCOEZE nonstop flight.

In 2016, the Hispanic Chamber of Metro Orlando recognized Juliana as one of the top 25 Influential Hispanics in Central Florida. Juliana holds a Master of Arts in International Administration from the University of Miami, and a Bachelor of Arts in International Affairs from Rollins College.



GENE FRAZIER

Mr. Gene Frazier, MPA, C.M., CFM, SFP, continues to impact the airport management community by developing innovative solutions to complex issues ensuring positive outcomes for all involved. In 2007 Gene graduated from Howard University with a degree in Political Science. He continued his education at the University of New Orleans and in 2010 graduated with a Master's Degree in Public Administration.

In 2013 Gene's education, experience and drive helped him land a full-time Facility Operations Manager position at New Orleans' Louis Armstrong International Airport (MSY) Consolidated Rental Car (CONRAC) facility. Along with overseeing a \$2M dollar budget, Gene developed and implemented policy and procedure safety handbooks, emergency management plans and operating & maintenance manuals.

In early 2019, Gene accepted a senior management position with the Tallahassee International Airport (TLH) as Superintendent of the Airport Facilities Management Division. Leading a Division of over 20 employees, along with an annual operating budget of over \$3M dollars, Gene has been able to identify needed improvements in facility systems and processes to ensure the airport's preventative maintenance program is functioning at an optimal level.



ERIN CROOP

Erin Croop serves as marketing coordinator for the Lee County Port Authority in Fort Myers, with a focus on Page Field and its FBO, Base Operations. Erin has been recognized as a Top 40 Under 40 by NBAA, Gulfshore Business magazine and Airport Business magazine, largely in part for her general aviation advocacy efforts. Each year, she organizes and hosts dozens of educational airport tours for youth and adult groups. Erin is also the lead event coordinator for Aviation Day, an annual airport outreach event involving aircraft displays, police and fire demonstrations, discovery flights, and children's activities. Aviation Day has an average attendance of 5,000 people. Erin volunteers her time as vice chair for the NBAA YoPro (Young Professionals) Council, a team focused on education and relationship-building for those beginning their careers in the business aviation industry.



JUSTIN LOBB

Justin Lobb, a 2012 graduate of Florida Institute of Technology, is the Executive Airports Manager for the Collier County Airport Authority. Justin is charged with the safe and efficient administration, operation, maintenance and development of the Marco Island (MKY), Immokalee (IMM), and Everglades (X01) Airports in Collier County, FL. Since his arrival in 2015, Justin has overhauled the airport financial and operational functions to bring the airport system into a state of profitability for the first time in the Authority's history, while reinvesting revenues in vital capital improvement. A notable capital improvement is the ongoing \$15M multi-year project to reconstruct a new, two-story terminal building and apron expansion at MKY with the grand opening expected in mid-2020. As a result of Justin's efforts and that of his entire airport team, FDOT recently found that the combined economic impact of the county's three airports is up from \$56 million in 2014 to \$73 million today, or 30%. Justin credits this growth to fostering a business-friendly environment that has permitted growth in both aeronautical and non-aeronautical activity. He is an Airport Certified Employee (ACE) through the American Association of Airport Executives (AAAE), Certified Public Manager (CPM) through the Florida Institute of Government and active member of the Florida Airports Council, Naples Airport Noise Compatibility Committee and Collier Metropolitan Planning Organization (MPO) Technical Advisory (TAC) Committee.

On a personal note, Justin says that what he loves most about the industry is the excitement of being on an airport, but what is unique about the industry is the comradery and passion by those within. "We're all here because we're aviation enthusiasts in one way or another, whether you're a pilot, operations agent, airline employee, engineer, or airport manager, we all share that passion—we can chat for hours about stories or experiences we've had in our career.. and if you ask almost anyone, we all love what we do (many will tell you they never feel like they've worked a day in their lives). It's a great environment, and the future looks bright."



JEFF TAYLOR

Jeff Taylor's life-long interest in aviation began at a young age, with his parents having a combined 50 years' experience working for USAir and Continental Airlines at the Jacksonville International Airport (JAX).

Currently, Jeff works in the JAA's Business Development team as Senior Properties Administrator, performing a variety of professional leasing and business development functions across JAA's diverse four-airport system. Jeff's responsibilities range from leading JAX concessions development, general aviation leasing and real estate services.

In 2019, he was recognized by Airport Business Magazine's Top "40 Under 40" industry professionals for his role in leading Jacksonville's first shared-use airport lounge, The Club JAX.

Jeff enjoys volunteering his time to his community and the aviation industry by participating in Airport Cooperative Research Program (ACRP) projects, leading charitable 5K teams, mentoring interns and educating entrepreneurs on how to do business with public entities. He attributes his success to his mentors, including his parents, his wife Laura, and his JAA colleagues Terry Dlugos and Paul Gerrety.

A MESSAGE FROM THE EDITOR

by Michael McDougall, Aviation Communications Manager

The Department's goal is to make the Florida Flyer the best it can be with newsworthy articles, unique airport developments, changes to aviation regulations, and more! The Department publishes four quarterly editions and one special edition per year. If you have aviation news to report or wish to submit an article for consideration, please email them to me at Michael.mcdougall@dot.state.fl.us. For reference, previously published Florida Flyers can be found here: www.fdot.gov/aviation/newsletters.shtm.

In addition to the Florida Flyer, I am now managing FDOT's aviation awards program. Winners are presented during the Continuing Florida Aviation Systems Planning Process (CFASPP) meeting right before the annual Florida Airports Council (FAC) Conference and Exposition.

The six award categories include:

- Aviation Professional of the Year
- General Aviation Airport of the Year
- Commercial Service Airport of the Year
- General Aviation Project of the Year
- Commercial Service Project of the Year
- Distinguished Aviation Service Award

The deadline for all nominations this year will be Sunday, May 31st. The Department encourages all airports and consultants to participate and provide nominations for each category. Award applications can be found on our website at www.fdot.gov/aviation/aviationawards.shtm and should be submitted to Michael.mcdougall@dot.state.fl.us.



UNITED WE STAND SPECIALTY LICENSE PLATE

by Aviation Office

As you drive around Florida you will notice a variety of Florida license plate designs. In addition to the most common, standard state license plate, Florida allows drivers to select from more than 120 unique license plates. Florida has license plates for a variety of family, environmental, charitable, and other causes. If you work in the aviation industry, enjoy recreational flying, or are concerned about our national security, you may want to consider purchasing

the United We Stand specialty plate. (Created by an Act of the Florida Legislature in 2002 to support Secure Airports for Florida's Economy.) Revenue goes to the Department of Transportation to fund security-related aviation projects pursuant to Chapter 332, Florida Statutes and to provide training related to airport security and management. Last year, security assessments were conducted at 85 airports and specific projects were funded at 10 airports as a result.

License Plate	United We Stand
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Date Enacted	July 1, 2002
Special Fee	\$25.00 annual fee (plus registration fees)
Distribution of Special Fee	Secure Airports for Florida's Economy

For more information about how you can purchase this specialty license plate, please visit www.flhsmv.gov/specialtytags/SLP.html



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