Workshop Agenda

1. Background & Initiatives To Date
   - LCPA Staff

2. Outside Expert Review
   - Paslay Management Group

3. Surrounding Area/Development Data
   - Lee County Economic Development

4. Strategy Going Forward

5. Board Discussion & Direction
1977 Airport Layout Plan
1977 Airport Layout Plan

Future Parallel Runway
Passenger Terminal
Primary Runway
1983+ RSW

Graphical representation of the airport layout including:
- I-75
- Treeline Ave
- Daniels Pkwy Extension
- Future Parallel Runway
- Gateway
- Passenger Terminal
- Primary Runway

@flyrs w
RSW Boundary
Skyplex Area
Approx. 1,800 acres
Development
Parameters & Constraints

- **FAA Restrictions**
  - Land Leases Preferred
  - Must Receive Fair Market Value Rent
  - Lease Term = Time needed to amortize third-party investment, then improvements revert to LCPA
  - Leases Cannot Exceed 50 Years
  - Heights/Land Use
Site Constraints

Existing Uses
Site Constraints

Wetlands
Skyplex

Goals

- Quality Development
- Airport Revenue Diversification
- Eliminate Hurdles for Future Tenants
  - Skyplex Vision Plan
  - Local Permitting (Comp Plan, Zoning, etc.)
  - Environmental Permitting
  - Backbone Infrastructure
- Leverage Assets Surrounding RSW
Skyplex
Successes-to-Date

@flyrsw
Lee County Zoning
344 Acres
719 acres of COE jurisdictional wetlands
Skyplex Blvd.
Realign Chamberlin Pkwy
Realign Chamberlin Pkwy
Paslay Management Group

- **President**, PMG Development
- **Partner**, Hunter Chase Development Partners
- **President**, Airport International Resorts (AIR)
- **Vice President Commercial Real Estate**, DFW Airport (15 years)
- **Mayor/City Council/Chair P&Z**, City of Southlake, TX (19 years)
- **SVP**, Christon Company Real Estate Development
- **AVP Central Region**, Union Pacific Railroad Real Estate
- **AVP Real Estate**, Southern Pacific Railroad Real Estate

John Terrell

- **Associate Principal**, Paslay Management Group
- **Projects Managed**
  - Austin Bergstrom International Airport
  - JFK International Airport
  - Houston George Bush International Airport
  - San Diego International Airport
  - Pittsburgh International Airport
  - Will Rogers World Airport

Holland Young
DFW Strategy & Results

Strategy

- Developed market-driven vision for commercial development expansion on 17,000 acres
- Created Commercial Development Land Use Plan
- Identified strategic development districts
- Created organizational structure
- Developed comprehensive marketing program
- Developed documents and efficient management standards for assets
DFW Strategy & Results
Con’t.

Results (2005-2019)

• Annual Airport Revenue increased from $12M to $140M, total revenues of $2B

• Increased commercial development by 335% from 753 acres to 3,276 acres

• DFW owned and controlled facilities increased from 300,000 SF to over 2.5M

• Square footage of buildings soared from approximately 3MSF to 46MSF

• Hundreds of $Millions in private investment
Aerotropolis/Airport City

Airport City - Denver International Airport
• “Inside the fence” area of an airport “CITY”
• More than traditional aeronautical services
• Targets non-aeronautical revenue streams amounting to 40-60% of total revenues
• Office, hotels, convention centers, medical facilities, free trade zones, entertainment and theme parks

Aerotropolis - DFW Airport & Metropolitan Area
• How airports operate as the central connector in city economic development
• Consist of airport city, outlying corridors /clusters of aviation-linked businesses, and associated residential developments
• Planned to appeal to investors, commercial real estate developers, and their facility end-users
Examples of Other Airports

El Paso Airport
Brokerage Services Agreement
- Stakeholder Identification
- Market Analysis
- Policy Development
- Master Plan
- Public/Private Partnership
- Leasing
- Acquisition/Disposition
- Consulting Services
- Strategic Planning
- Portfolio Management

Phoenix-Mesa Airport
Master Developer Agreement
- Public-Private Partnerships
- Develop 400 acres, mixed-use
- Create vision and strategy
- Maximize long-term revenues
- Pre-development services: Entitlement process, restriction evaluation, feasibility assessment, infrastructure plan, team development, and marketing/leasing structure

Mineral Wells Airport
Exclusive Right to Develop
- Public-Private Partnerships
- Vision development
- Airport Land Use Plan
- 10 year - Exclusive Right to Develop
- Ground leases
Strategic Non-Aeronautical Opportunities

FUTURE PROOFING REVENUES
- Strategic Technology Plan
- Commercial digital platforms
- WiFi/cellular technology, including Distributed Antennae Systems
- Autonomous vehicles

LEVERAGING MARKETING OPPORTUNITIES
- Customer demographics
- Customer satisfaction
- Evaluate current program
- Sponsorship and advertising opportunities

MAXIMIZE REVENUES
- Strategic Parking Plan
- Evaluate all parking and ground transportation products
- Evaluate customer demographics, needs, and desires
- Optimize product mix and rates

CREATING A CENTER OF COMMERCE
- Strategic Land Use Plan
- Professional and technical services
- Aerospace products
- Medical products
- Entertainment/hospitality venues
- Retail, office, and industrial

ACCELERATING AVIATION INDUSTRIAL
- Market analyses
- Provide enabling infrastructure
- Develop a flexible plan

MAXIMIZE YIELD
- Strategic Concessions Plan
- Evaluate customer demographics, needs, and desires
- Optimize location offerings and space
- Partner with concessionaires
- Leverage digital and no-touch platforms
- Goal setting/KPI's
# Strategic Revenue Opportunities Across the Airport Enterprise

<table>
<thead>
<tr>
<th>Revenue Resource</th>
<th>Aviation Activity Driven</th>
<th>Activity Independent</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial and Land Development</td>
<td>![Dependent]</td>
<td></td>
</tr>
<tr>
<td>Cargo and Logistics Facility Development</td>
<td>![Partially Dependent]</td>
<td>![Partially Dependent]</td>
</tr>
<tr>
<td>In-Terminal Concessions</td>
<td>![Dependent]</td>
<td></td>
</tr>
<tr>
<td>Public Parking</td>
<td>![Dependent]</td>
<td></td>
</tr>
<tr>
<td>Sponsorship and Advertising</td>
<td>![Partially Dependent]</td>
<td>![Partially Dependent]</td>
</tr>
<tr>
<td>Emerging Revenue Opportunities</td>
<td>![Partially Dependent]</td>
<td>![Partially Dependent]</td>
</tr>
<tr>
<td>Dependence</td>
<td>![Dependent]</td>
<td>![Partially Dependent]</td>
</tr>
</tbody>
</table>
RSW Efforts-to-Date

- Skyplex Vision Plan – Fundamentals are in place

- Successful Developments
  - Quality tenants and facilities
  - Sets high standards and examples for future

- Advanced efforts to streamline processes and eliminate hurdles for 3rd-party lease/development
  - Local Permitting (Comp Plan, Zoning, etc.)
  - Environmental Permitting

- Backbone Infrastructure – Prior investments will promote high-end development and creates standard (RSW has “put its money where its mouth is” to prove commitment)
Defining Districts Further

• Land uses should capitalize on LCPA focus and success to date
  - Office uses in core of site
  - Skyplex Boulevard providing a destination experience
  - Airside properties dedicated to aviation use

• “District” approach should
  - Ensure each district has a unique identity
  - Create synergy between adjacent and non-adjacent land uses
  - Leverage off-site opportunities
  - Provide development standards appropriate for each district
    - Development codes
    - Design guidelines
  - Ensure suitable access infrastructure for tenant needs
  - Develop a distinct land use plan and marketing approach
Predominant Generation Near RSW/Skyplex
## Developments Near RSW/Skyplex

<table>
<thead>
<tr>
<th>Status</th>
<th>Number of Developments</th>
<th>Entitled Properties</th>
</tr>
</thead>
<tbody>
<tr>
<td>Construction</td>
<td>24</td>
<td></td>
</tr>
<tr>
<td>Permitting</td>
<td>13</td>
<td></td>
</tr>
<tr>
<td>Development Order</td>
<td>28</td>
<td></td>
</tr>
<tr>
<td>Planning/Zoning</td>
<td>18</td>
<td>1</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>83</strong></td>
<td><strong>1</strong></td>
</tr>
</tbody>
</table>
## Developments Near RSW/Skyplex

### Current Developments: Square Footage & Job Creation

<table>
<thead>
<tr>
<th>Type of Development</th>
<th>Square Footage</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>1,500,000+SF</td>
<td>5,500</td>
</tr>
<tr>
<td>Industrial</td>
<td>240,337+SF</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,740,337+ SF</strong></td>
<td><strong>6,500</strong></td>
</tr>
</tbody>
</table>

### Future Developments (Entitled Property)

<table>
<thead>
<tr>
<th>Type of Development</th>
<th>Square Footage</th>
<th>Jobs</th>
</tr>
</thead>
<tbody>
<tr>
<td>Commercial</td>
<td>1,000,000+SF</td>
<td>4,000</td>
</tr>
<tr>
<td>Industrial</td>
<td>3,897,000+SF</td>
<td>1,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>4,897,000+SF</strong></td>
<td><strong>5,000</strong></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Type of Development</th>
<th>Units</th>
</tr>
</thead>
<tbody>
<tr>
<td>Residential</td>
<td>23,814+</td>
</tr>
</tbody>
</table>
Current Developments Near RSW/Skyplex
Current Developments Near RSW/Skyplex
Current Developments Near RSW/Skyplex
## Business Growth Near RSW/Skyplex 1970-2019

<table>
<thead>
<tr>
<th>Decade</th>
<th>Number of Businesses</th>
</tr>
</thead>
<tbody>
<tr>
<td>1970-1979</td>
<td>727</td>
</tr>
<tr>
<td>1980-1989</td>
<td>2,261</td>
</tr>
<tr>
<td>1990-1999</td>
<td>4,412</td>
</tr>
<tr>
<td>2000-2009</td>
<td>12,078</td>
</tr>
<tr>
<td>2010-2019</td>
<td>33,307</td>
</tr>
</tbody>
</table>
Business Growth Near RSW/Skyplex
1970-2019
Development Strategy
Going Forward

• Hire Owners’ Representative (via ASMC/Board RFQ Process)
• Perform Market Analysis
  ➢ Develop “District” Maps
  ➢ Target Marketing Efforts
• Develop LCPA Infrastructure Plan (w/ROI)
• Develop RFP Strategy for District Development
Questions?
Board Discussion