

February 4, 2019

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Mayor Russ Owen
City of New Smyrna Beach
210 Sams Avenue
New Smyrna Beach, FL 32168

Dear Honorable Mayor and Commissioners,

The Southeast Volusia Chamber of Commerce Board of Directors has taken a strong position regarding the importance of acting swiftly regarding the New Smyrna Beach Airport. Please see supporting documentation below. This is critical to the economic viability of our community, and our existing businesses.

NSB Airport Issue Statement:

The NSB City Commission recently voted to approve a new Airport Master Plan that effectively shortens our longest runway from 5000' to approximately 4700'. This reduction would normally go into effect within approximately 120 days of the approval of the Airport Master Plan by the Federal Aviation Administration (FAA). This has the practical impact of eliminating certain traffic, including but not limited to, private and corporate jet traffic from using our airport. The City Commission, aware of this issue, has instructed the Assistant City Manager to work with the Airport Advisory Board and other interested stakeholders to create a revised runway plan. This revised plan needs to be submitted to the appropriate division of the Federal Aviation Administration (FAA) soon.

Although the current approved Airport Master Plan contains language that would allow for an extension of one of the airport's runways to approximately 5,400' feet. That project is identified as a second tier project with an estimated start date of 2024. The failure to address and correct the issue prior to 2024 would have a substantial adverse economic impact on the operations of the airport, existing business located at the airport, and private and corporate users of the airport. Any runway extension will take time to initiate and complete. The loss/reduction of the existing 5000' runway in the meantime would have an immediate adverse impact on the community. Further, while the extension of one of the runways somewhat helps with the deficiencies related to the shortened runways in the Airport Master Plan, it does not alone adequately address the problems faced by operators, users, and the community with respect to the approved Airport Master Plan. For example, a single 5000' runway will not address the need for aircraft to utilize runways based on the then prevailing wind direction needed for takeoff and landing. Operators, users, and the members of the Airport Advisory Board have noted the need to preserve the current 5000' runway (7/25) and secure and complete the extension of another runway (11/29) to 5,400'. Although the 5,000' length of runways at NSB is important, it may also be important to note that securing that runway length does not result in an increase in the size of aircraft that operate on the field. Securing a 5,000' runway merely allows existing business and users to continue to operate the equipment they currently own and operate.

Timing with respect to this matter is urgent as FAA acceptance of the revised plan is also not guaranteed (since the Master Plan has been underway since late 2015) and we almost missed the FAA imposed time deadline. (The FAA gave the City a grant of \$250,000 to create the new master plan) The Master Plan and the process used to create it has been the subject of a great deal of debate from airport stakeholders and users of the airport as well as the Advisory Board.

Economic Facts About the NSB Airport (EVB) From the Florida Department of Transportation

1. According to Air Traffic Control Tower Operations, EVB is #2 out of 26 regional airports in FL. We are #4 out of 254 when compared nationally. When all airports are considered we are #75 of the 518 airports mentioned above (this includes very large airports such as Atlanta, Chicago, etc.)
2. The Florida Department of Transportation (who oversees runway 2-20) estimates the economic impact of EVB. They estimate employment of 987 with a payroll of approximately \$27 million.
3. FDOT states that there is a total economic impact on our area in excess of \$100 million from EVB. Please note this is the jobs and economic impact on EVB's total service area including all of Southeast Volusia, Port Orange and others nearby.
4. Annually, EVB has more than 25,000 passengers and pilots using our FOB

Background:

1. The NSB Airport was taken over by the Navy in 1942 and improved into a paved facility. The Navy had requirements to establish airports in numerous places in the U.S. during WWII and to ensure that the runway layout was done in a fashion that allowed air traffic regardless of wind direction.
2. It is one of 518 Air Traffic Control Tower airports in the U.S. It is effectively "owned" and regulated by the FAA. The City of NSB acts as sponsor and manager of the airport.
3. The FAA has requirements (in the form of Federal Grant Assurance rules and other requirements) for all of its airports in the U.S. which are focused on safety and reliability of our air traffic "highway". It puts money where its requirements are and pays for approximately 90%+ of runway and selected facility improvements. The sponsor is responsible for following the rules of the FAA and is required to identify, communicate, and correct deficiencies. If the sponsor is neglectful of its duties it can experience hefty fines and loss of sponsorship.
4. The sponsor and the FAA are effectively partners in the airport. The sponsor is obligated to follow FAA rules and be in regular communication with the FAA regarding the facility. This is for the safety of the flying public and others on or near airport grounds.
5. NSB Airport has been designated as a regional airport since 2012 and also serves in an overflow capacity for Orlando and Daytona airports.
6. The City has an airport manager and has formed an Airport Advisory board to help manage this property and meet its obligations under the auspices of the NSB City Commission.

Possible Consequences of losing the 5000' Runway

- Loss of airport businesses. EVB hosts a variety of businesses that help diversify our local economy. These businesses require highly skilled and specialized operators as part of the employment base. The investment these businesses make, require wages commensurate with the skills and abilities of their staff. At least one of these operators is making plans to move from the NSB airport if this is runway issue is not corrected. Loss of one or more of these businesses would have a negative impact to the City financially and reputationally.
- At present we have several private jets using the airport to facilitate local business. These jet operators are aware of the runway issue and will likely move to another facility. This also has a financial and reputational impact.
- Off airport property development (while not directly "owned" by the FAA) is also impacted by the Master Plan and FAA rules. Understanding what can and can't be done with these properties is of paramount importance to the airport and property owners.

What Needs to be Done About This?

For whatever reasons, the City appears to have run into many challenges regarding the Airport Master Plan over the last few years. Issues have involved communications, meeting FAA requirements and other challenges involved with proper management of the facility. While the City may lead this process it is not alone in its responsibility for our current outcome. The NSB Airport is a complex entity and involves a variety of stakeholders. Today we are where we are at with the Master Plan and may or may not have the ability to change the Runway layout going forward. If we are to achieve changes to the runway layout we will need the following:

- Clear objectives that fit the long-range vision for EVB with time frames and responsibilities assigned and monitored. It is imperative that those assigned to the Updated Plan task from the City are given assistance, monitored and held accountable for this process.
- Ensure that all stakeholders are represented and have an opportunity to voice their desires and issues. This includes off airport grounds impacted areas as well.
- Recognize that EVB is one of the most complex and measurable of all the City's responsibilities. Consequently, communication and transparency are paramount in this process. This includes frequent communication with the FAA and our City Commission on our progress and challenges.
- To understand FAA requirements and ensure that we are complying with rules on a complete and timely basis so that we suffer no financial consequences or other unintended results.
- To engage political leadership from the State of Florida and in Washington to express our challenges and our plan for EVB. We may need their help to communicate this in an appropriate fashion to the FAA and other involved with EVB. The Southeast Volusia Chamber of Commerce is willing to assist.

The NSB Airport represents a sometimes over looked economic jewel in our area. Our City Commission recognizes this and the SEV Chamber recognized this. While it is not too late to make positive steps regarding our runway layouts our credibility, time and ability to properly communicate can work against us. The FAA wants healthy and safe airports that serve their communities properly. The City of NSB and the Southeast Volusia Chamber of Commerce wants the same. It is up to us to demonstrate this.

Sincerest regards,

Sue Williams
Executive Vice President
Southeast Volusia Chamber of Commerce