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**BILL NO. R-14-02-05 (AS AMENDED – AS AMENDED)**

RESOLUTION NO. R-2014

A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA AGREEING TO PROVIDE FINANCIAL SUPPORT FOR THE ESTABLISHMENT OF DIRECT AIR SERVICE FROM FORT WAYNE INTERNATIONAL AIRPORT TO A MAJOR NORTHEAST HUB.

WHEREAS, the Fort Wayne International Airport (FWA) provides direct air service to five (5) hub destinations, which is essential to the economic vitality of northeast Indiana; and

WHEREAS, FWA provides connecting opportunities to all directions in the United States but does not currently provide service to key business markets in the northeast region of the United States, the establishment of which would be a significant economic development milestone for the community; and

WHEREAS, in a recent survey residents of northeast Indiana who travel for business expressed their preference for the establishment of direct air service to a major hub in the northeast region of the United States to improve and expand the air travel service available from FWA; and

WHEREAS, the Fort Wayne - Allen County Airport Authority (Authority) and Greater Fort Wayne, Inc. (GFW) have made significant progress in attracting an air carrier to provide direct air service from FWA to the northeast United States, including the receipt of a \$600,000 federal grant to partially offset a carrier's risk of entering a new market; and

WHEREAS, the Authority and GFW are requesting financial support from the northeast Indiana community to leverage the federal grant funds to create a minimum revenue guarantee (MRG) which will be made available to carriers interested in entering the northeast Indiana market with direct air service to a major hub in the northeast United States; and

1                   WHEREAS, an MRG is an economic development tool utilized by communities to  
2 enhance air service by guaranteeing the carrier a certain level of revenue from a newly  
3 established route over a predetermined period of maturity by providing backdrop  
4 revenues for the carrier only if the new route underperforms during such time period: and

5                   WHEREAS, the Authority and Mead & Hunt Air Service Consultants have analyzed  
6 and evaluated the air traffic patterns from Fort Wayne to the northeast United States and  
7 believe that a direct flight to this region will be ultimately profitable and self-sustaining due  
8 to the use of a major northeast United States hub by FWA passengers as a destination and  
9 for other northeast domestic and international flight connections, which would justify the  
10 initial investment by the City of Fort Wayne (City) in the MRG to attract the carrier; and

11                   WHEREAS, the Authority and GFW are requesting a maximum \$600,000 matching  
12 investment from the City (\$150,000 per year for a two (2) year period) to be included in  
13 the MRG package to be offered to the carrier; and

14                   WHEREAS, the Authority and GFW have also requested financial support for this  
15 economic development initiative from Allen County, the Indiana Economic Development  
16 Corporation, the Northeast Indiana Regional Partnership and from locally based industry:  
17

18                   **NOW, THEREFORE BE IT RESOLVED BY THE COMMON COUNCIL OF THE CITY OF**  
19 **FORT WAYNE, INDIANA AS FOLLOWS:**

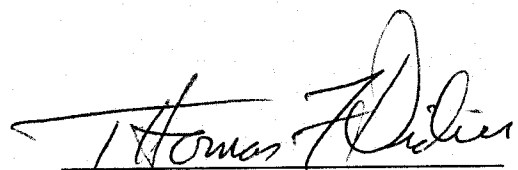
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21                   SECTION 1. The Common Council supports the establishment of direct air service  
22 from FWA to a major hub in the northeast United States and the establishment of a two (2)  
23 year MRG to attract a carrier to FWA to establish and operate such direct air service.

24                   SECTION 2. Subject to: (a) Allen County, the Indiana Economic Development  
25 Corporation the Northeast Indiana Regional Partnership and locally based industry  
26 participating in the funding of the MRG package and upon terms at levels acceptable to the  
27 City ; (b) the Authority securing an approved carrier to provide direct air service to a major  
28 hub in the northeast United States upon terms and conditions acceptable to the Authority

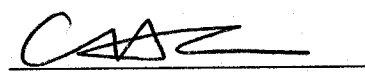
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and GFW; and (c) the Authority and GFW approving the terms and conditions of the MRG package to be offered the carrier, the Common Council approves the City's participation in the funding through Legacy Funds of the MRG package for a two (2) year period in an amount not to exceed the sum of One Hundred Fifty Thousand and 00/100 Dollars (\$150,000.00) per year. If needed the legacy Funds herein approved may only be utilized after CREDIT Funds pledged by the City of Fort Wayne have been utilized.

SECTION 3. That this Resolution shall be in full force and effect from and after its passage and any and all necessary approval by the Mayor.

  
\_\_\_\_\_  
Council Member

Approved as to form and legality:

  
\_\_\_\_\_  
Carol Helton, City Attorney

Public Hearing Date, if applicable \_\_\_\_\_

Read the first time in full and on motion by Councilman Hines

Read the second time by title and referred to the Regulations

Committee. Read the third time in full and on motion by Councilman

Didier, placed on passage by the following vote:

	<u>AYES</u>	<u>NAYS</u>	<u>ABSTAINED</u>	<u>ABSENT</u>
<u>TOTAL VOTES</u>	<u>8</u>	<u>1</u>	_____	_____
BENDER	<u>✓</u>	_____	_____	_____
CRAWFORD	<u>✓</u>	_____	_____	_____
DIDIER	<u>✓</u>	_____	_____	_____
HARPER	<u>✓</u>	_____	_____	_____
HINES	<u>✓</u>	_____	_____	_____
JEHL	_____	<u>✓</u>	_____	_____
PADDOCK	<u>✓</u>	_____	_____	_____
SHOAFF	<u>✓</u>	_____	_____	_____
SMITH	<u>✓</u>	_____	_____	_____

DATED:

3-11-14

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Passed and adopted by the Common Council of the City of Fort Wayne, Indiana, as  
(ANNEXATION) (APPROPRIATION) (GENERAL) (SPECIAL) (ZONING) ORDINANCE  
(RESOLUTION) NO. R-20-14 on the 11th day of  
March, 2014

ATTEST:  
Sandra E. Kennedy  
SANDRA E. KENNEDY,  
CITY CLERK

Martin A. Bender  
PRESIDING OFFICER

Presented by me to the Mayor of the City of Fort Wayne, Indiana, on the 12th day  
of March, 2014, at the hour of 12 o'clock P M. E.S.T.

Sandra E. Kennedy  
SANDRA E. KENNEDY, CITY CLERK

Approved and signed by me this 17<sup>th</sup> day of MARCH  
2014, at the hour of 9:00 o'clock AM. E.S.T.

Thomas C. Henry  
THOMAS C. HENRY, MAYOR

**BILL NO. R-14-02-05** (*As Amended 2 Times*)

**REPORT OF THE COMMITTEE ON REGULATIONS**

**MARCH 11, 2014**

**THOMAS DIDIER - CHAIR**  
**MITCH HARPER- CO-CHAIR**  
**ALL COUNCIL MEMBERS**

WE, YOUR COMMITTEE ON REGULATIONS TO WHOM WAS REFERRED A RESOLUTION OF THE COMMON COUNCIL OF THE CITY OF FORT WAYNE, INDIANA AGREEING TO PROVIDE FINANCIAL SUPPORT FOR THE ESTABLISHMENT OF DIRECT AIR SERVICE FROM FORT WAYNE INTERNATIONAL AIRPORT TO A MAJOR NORTHEAST HUB HAVE HAD SAID ORDINANCE UNDER CONSIDERATION AND BEG LEAVE TO REPORT BACK TO THE COMMON COUNCIL THAT SAID ORDINANCE

DO PASS

DO NOT PASS

ABSTAIN

NO REC

*Thomas F. Didier*  
*Mitch Harper*  
*John A. ...*  
*John W. ...*  
*Martin B. ...*  
*[Signature]*  
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SANDRA E. KENNEDY  
CITY CLERK