



# 2018 Budget Review Subcommittee on Transportation

October 2018 IJC Meeting at NKU





# Aviation at CVG Moves Kentucky



**7.8** mn

passengers in 2017



**14,000**

badged  
employees



**\$4.4** bn

economic impact

# CVG *Launching Point*



## VISION

Make travel through CVG an unforgettably positive experience

## MISSION

Become the airport of choice to work for, fly from, and do business with

## CHALLENGE

Recapture and grow passenger base within CVG service area

## BRAND PROMISE

Deliver world-class professionalism with Midwestern charm



# CVG Strategic Goals



## TAKE FLIGHT

Grow  
Air Service

9,400,000 passengers



## GROW BUSINESS

Facilitate Economic  
Growth

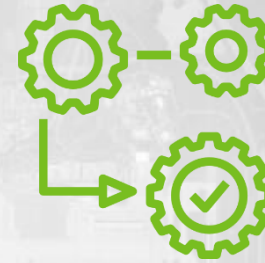
350 acres of land leased  
for development



## PROPEL COMMUNITY

Build Meaningful  
Partnerships

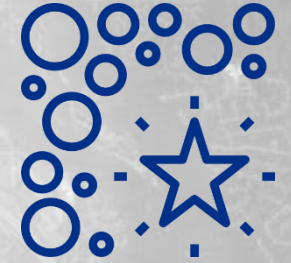
\$5.0bn economic impact  
to the region



## ELEVATE SERVICES

Deliver Operational  
Excellence

ConRAC constructed



## GO BEYOND

Differentiate the  
CVG Brand

ASQ ranking superior  
to peer airports



# Air Service Results



176

peak day departures



7.8

mn

passengers in 2017



58

nonstop destinations

# Passenger Airlines in Operation



# CVG Passenger Growth

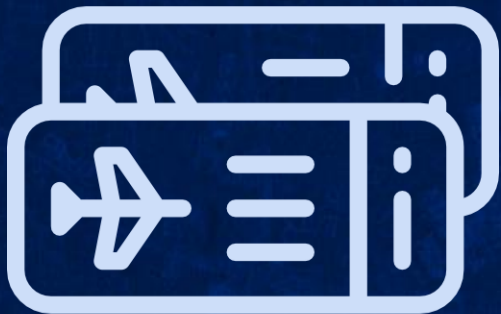
2015-2018

**CVG**  
CINCINNATI/NORTHERN KENTUCKY  
INTERNATIONAL AIRPORT



**63%**

O+D passenger  
volume



**36%**

average  
airfare



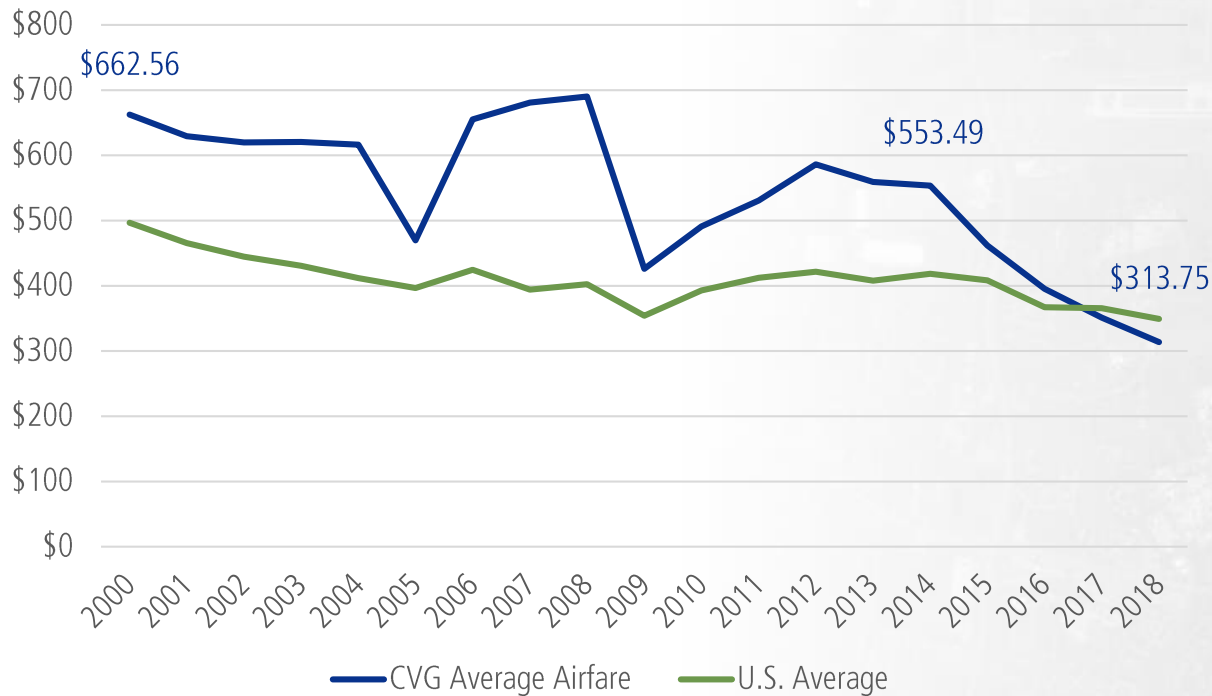


# CVG Average Airfare Trend



**#82**

**of top 100 U.S. airports  
in rank of average airfare**



**-\$240**

**Drop in average  
airfare since 2014**



# CVG Cargo Leadership



8<sup>th</sup>

largest cargo airport in North America



## North American Hub

One of three global Super Hubs serving 220 countries



## Amazon Air Hub

Announced / launched a **\$1.5 billion** investment in 2017;  
Project involves **900+** acres

# CVG Cargo Growth

2015-2018

**CVG**  
CINCINNATI/NORTHERN KENTUCKY  
INTERNATIONAL AIRPORT



**29%**

annual tons of  
cargo handled



**24%**

cargo volume  
2018 YTD





# CVG Financial Status

2013-2018



52%

landing fee rate



Rate calculations per 1,000 lbs.  
landed weight for signatories

# Land Development

Non-Aeronautical Projects



**207** acres leased for development  
**81%** *increase in acres leased*

**3** Terminals demolished

**1** Terminal remodeled



### 1 Dermody I

Wayfair – Completed 2016  
225 employees

### 2 Dermody II

Distribution Center – Completed 2017  
140 employees

### 3 Hemmer

Bosch – Completed 2017  
150 employees

### 4 Van Trust I

DB Schenker – Completed 2018  
580 employees

### 5 Van Trust II

Wayfair – Under Construction  
~260 employees

### 6 Van Trust III

GE – Announced  
~175 employees

### 7\* Lynxs

FEAM Hangar – Under Const.  
~200 employees

### 8\* Common Use Cargo Facility

Under Development  
~100 employees

### Amazon South Site\*

~3,000,000 sf of floor area  
~2,700 employees (2021)

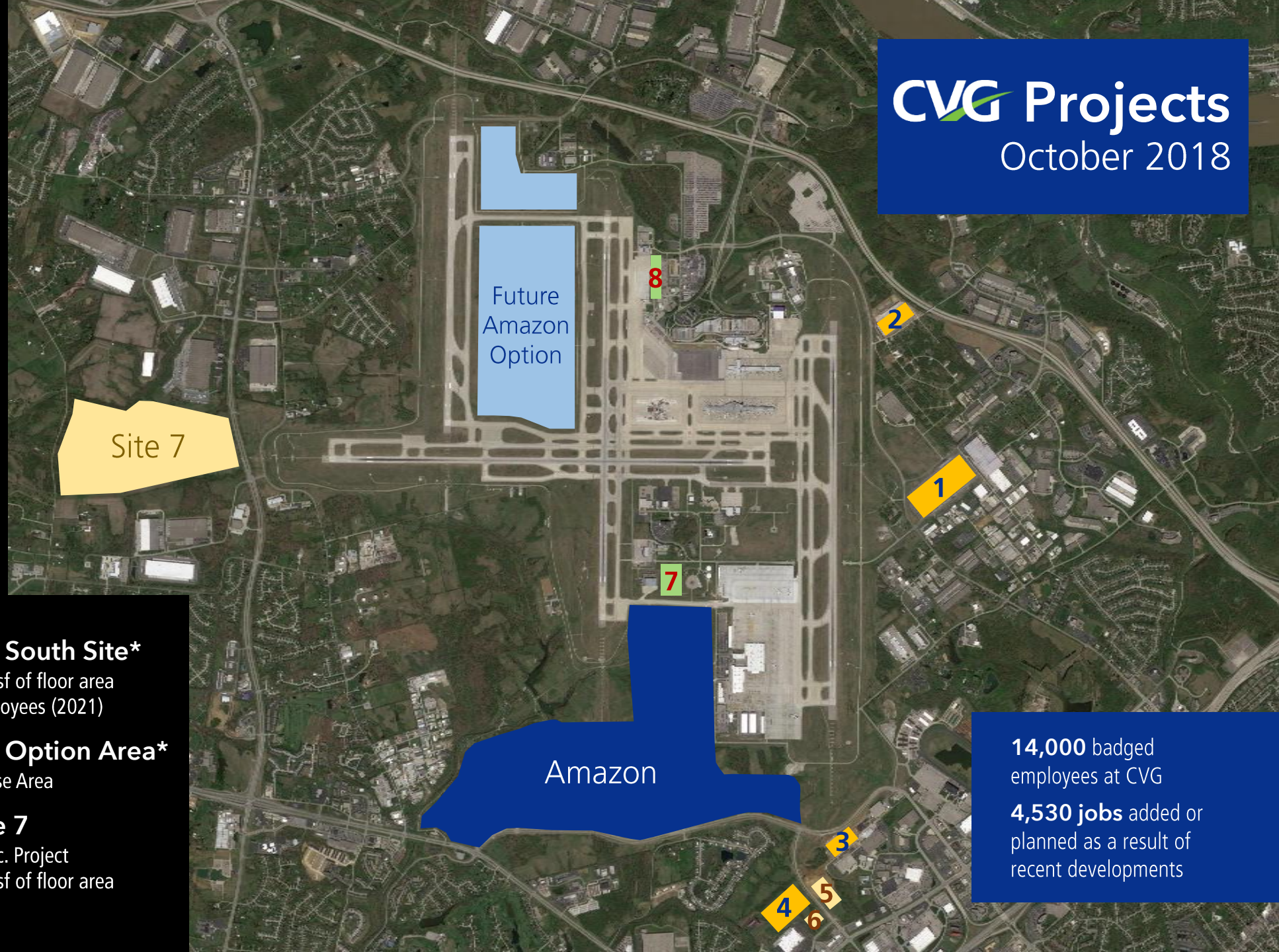
### Amazon Option Area\*

Planned Lease Area

### CVG Site 7

Planned Spec. Project  
~2,400,000 sf of floor area

**CVG Projects**  
October 2018



**14,000** badged  
employees at CVG

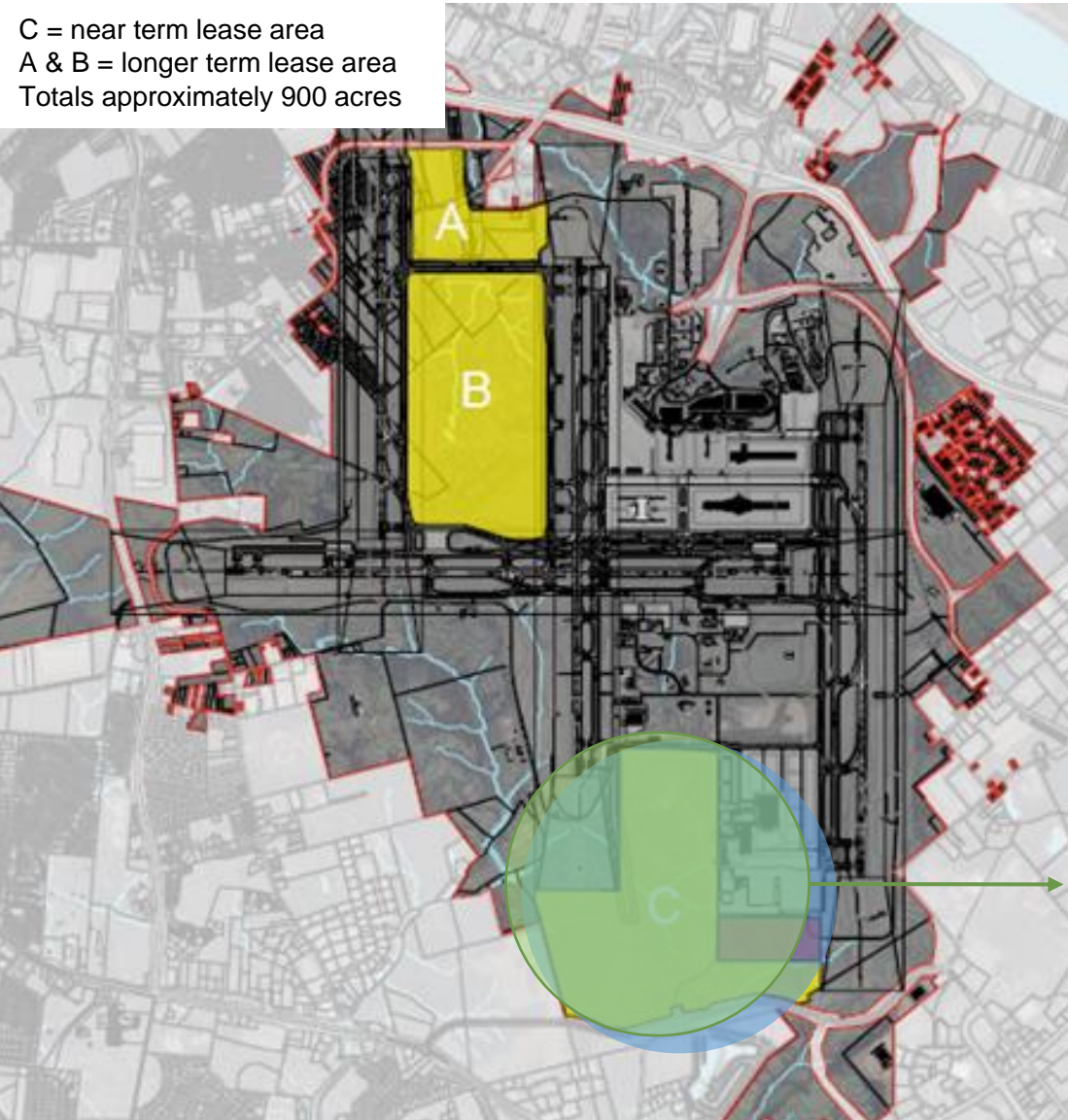
**4,530 jobs** added or  
planned as a result of  
recent developments

\*Aeronautical development



# Amazon Air Hub Project

C = near term lease area  
A & B = longer term lease area  
Totals approximately 900 acres



## Project Highlights

- At full build out, Amazon Air's operation will involve approximately 900 acres at CVG
- The local workforce is anticipated at over 2,700 employees
- This project represents a \$1.5 billion impact for CVG and the Cincinnati/Northern Kentucky region
- Operations at CVG started in April 2017 at the DHL Hub

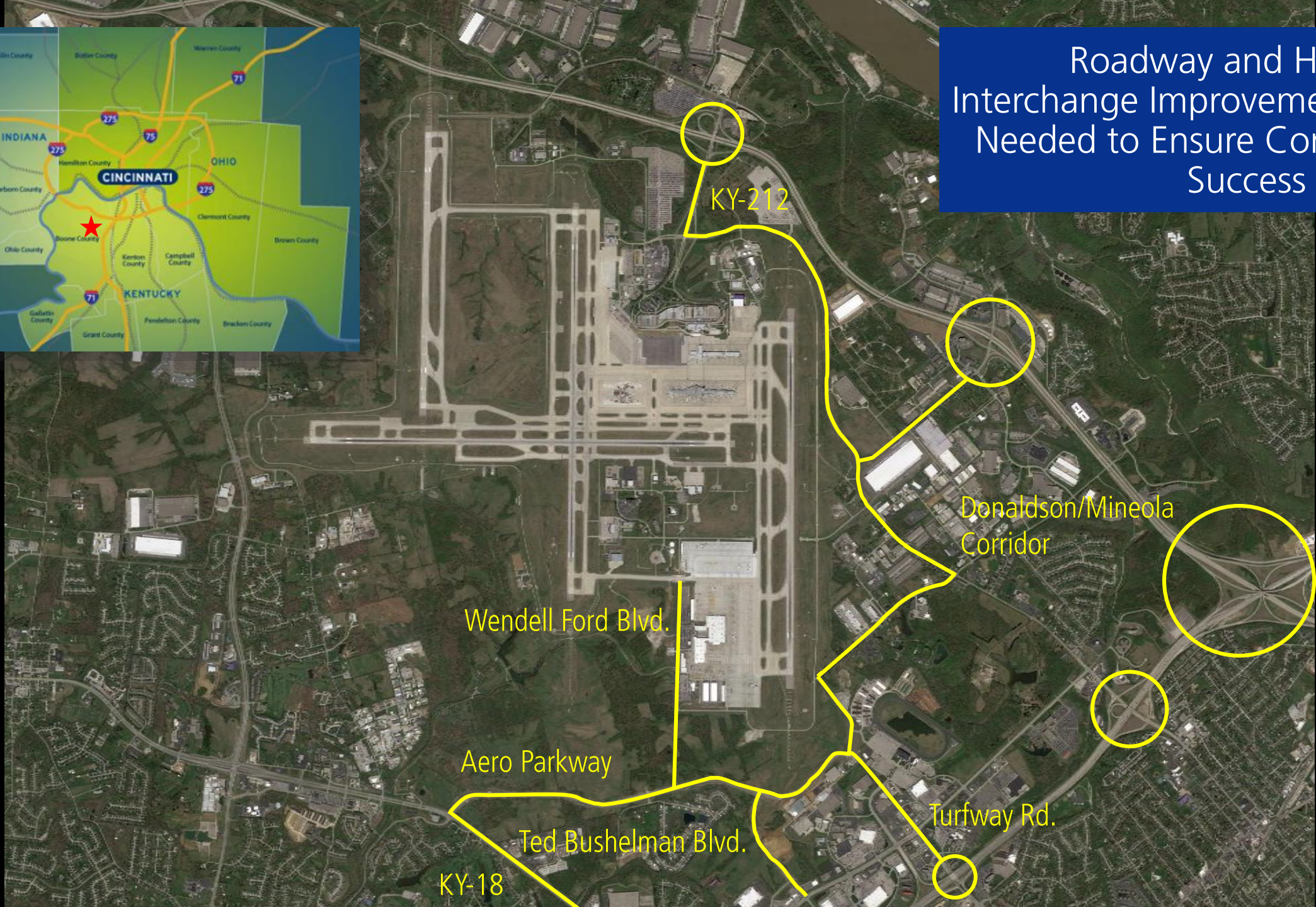
Phase I  
South Area  
Development





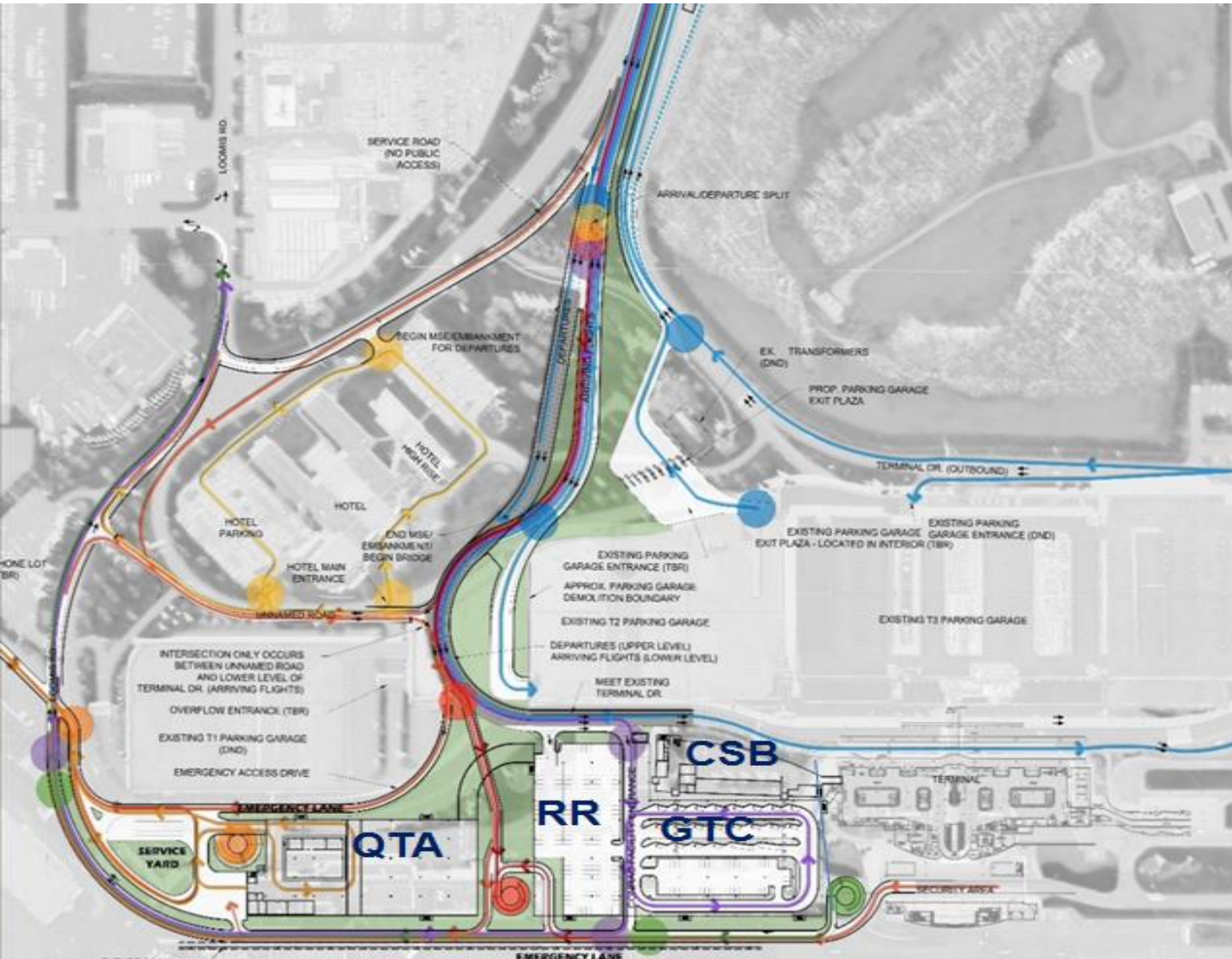


Roadway and Highway Interchange Improvements are Needed to Ensure Continued Success at CVG





# ConRAC



## Project Highlights

- Direct Terminal Access
- Terminal Curb Traffic Reduced
- Wayfinding Simplified
- Vehicle Inspection Area
- Ground Transportation Center
- Increased Premium Garage Parking within T2 Garage
- Fire Department Access
- Limited Access under Security Checkpoint
- New Cell Phone Lot

**CSB – Customer Service Building**  
**GTC – Ground Transportation Center**  
**QTA – Quick Turnaround Facility**  
**RR – Ready Return Garage**



# ConRAC Conceptual Rendering



Operational in 2021



# CVG Job Growth



2013

22,724

direct and induced jobs

2016

31,143

direct and induced jobs



37%

increased total  
employment impact





# CVG Economic Impact



2013

**\$3.6 bn**

total annual economic impact

2016

**\$4.4 bn**

total annual economic impact



**22%**

increased total  
economic impact



# Customer Experience Upgrades

Coming Soon!





# CVG: World Airport Award Winner



**2017 Best World Airport** Serving 5-10 million Passengers

**2017 Best Regional Airport in North America**

**#26 World's Top 100 Airports**

Top U.S. Airport

**#2 World's Best Regional Airport**

**#2 Best Overall Airport in North America**

**#5 Best Airport Staff in North America**



The 2017 awards are based on 13.82 million airport survey questionnaires that were completed by 105 different nationalities of air travelers during the survey period of July 2016 to February 2017. The survey covers 550 airports worldwide and evaluates traveler experiences from check-in, arrivals, transfers, shopping, security, and immigration through departure at the gate.

# Embracing What's Next

## Focus on Innovation for Customers and Community

CVG is embracing technology and leveraging the talent from local startups to:



**TRANSPORT**



**CONNECT**



**CLEAN**



**SECURE**



# Kentucky Can Support CVG Now



- **Enact laws/regulations that support airports**  
Treat commercial service airports as the businesses we are to unleash our economic potential to move Kentucky forward
- **Provide the roadway network needed to support passengers and employees**  
Find ways to fund necessary infrastructure improvements that will enable our continued growth
- **Create programs that support our workforce**  
Develop innovative ways to support workforce development efforts, such as supporting local transit





Thank You!

[www.cvgairport.com](http://www.cvgairport.com)

