

Airport report

Airport Numbers Continue to Soar

By Iftikhar Ahmad
Director of Aviation

To quote a recent headline in the local media, “Tourists are flocking to New Orleans.” The return of tourists to the city is a welcomed sign that recovery from all of the natural and man-made disasters the city has survived is not only underway but is accelerating. Many of these tourists fly into the city using Louis Armstrong New Orleans International Airport, a fact I believe is reflected in our increased passenger loads. Officials in the city that track tourism numbers state there has been a nearly 20 percent increase in tourism this year in New Orleans, as compared to last year.

Looking at our most current air service data from April of this year, we see that our deplanements (*passengers disembarking the aircraft*) for the month compared to April of last year show a continued increase in tourists as well. There were 391,359 deplanements, up 2.4 percent since 2010. Enplanements (*passengers boarding the aircraft*) were 384,027, up 7.1 percent. This resulted in a combined total of 775,386 and an average increase of 4.7 percent. The total seat counts for the month compared to April 2010 were up 8.3 percent with 16,013 seats. Finally, the 2011 year to date air service data for the first four months of the year show that Louis Armstrong New Orleans International Airport was up 7.5 percent with a combined total of enplanements and deplanements of nearly three million passengers. This increase in passenger traffic is definitely a boon to the tourism and hospitality industry in our region. Looking ahead, we have every reason to believe that the growth in passenger traffic will continue as we add new service scheduled to begin later this year. Southwest Airlines will be increasing its service to two destinations when it expands frequency to three daily non-stop flights to Nashville and Baltimore-Washington on October 3. These additional flights should provide the flying public with increased travel flexibility.

On the financial front, I am happy to report that Fitch Ratings and Standard and Poor’s have revised their ratings on the New Orleans Aviation Board bonds. Fitch Ratings has affirmed the ‘A-’ ratings on approximately \$134,895 million outstanding New Orleans Aviation Board (NOAB) parity revenue bonds (Passenger Facility Charge [PFC] Projects)

series 2010 and series 2007. Their rating outlook was revised to stable from negative. Standard and Poor’s Ratings Services has also raised its underlying rating (SPUR) on the NOAB’s general airport revenue bonds (GARBs) to ‘A-’ from ‘BBB+’ issued for Armstrong International Airport. At the same time, Standard and Poor’s affirmed its ‘A-’ SPUR on NOAB’s stand-alone PFC revenue bonds. Their outlook was stable as well. Fitch stated the stable outlook reflects stabilizing trends in airport enplanements at Armstrong International and PFC cash flow as well as the alleviated concerns that leveraging, associated with the series 2010 PFC issuance and potentially lower PFC fund balances, would limit financial protections for the PFC revenue stream. Enplanements from 2009 to 2010 increased by five percent and in 2010 enplanements totaled 4.1 million. Standard and Poor’s concurs on the stability factor and said the upgrade on the GARBs reflects what they view as continued stability and growth in passenger traffic since Hurricane Katrina, a strong liquidity position and good debt service coverage. As has previously been reported, the airport experienced large declines in enplanements in 2005 and 2006 after the hurricane.

The increase in air passenger traffic and bond rating upgrades indicates that the traveling public and the financial sector believe that New Orleans is back. These are signals that we are on the right course to overcoming obstacles that have hindered our resurgence. ✈



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Check your local listings for the air time of the Armstrong International Airport 30 minute television program, “Airport Alive,” or view it on the airport website, www.flymsy.com, by clicking on the “Airport Alive” link on the “News and Stats” page. You can now follow the airport on Facebook and Twitter @NO Airport. **Be a volunteer at the airport. To found out how, click on Ambassador on the website homepage.**



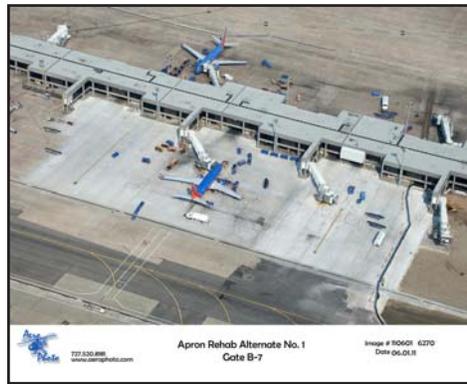
Airport

Capital Improvement Aerial Update

report



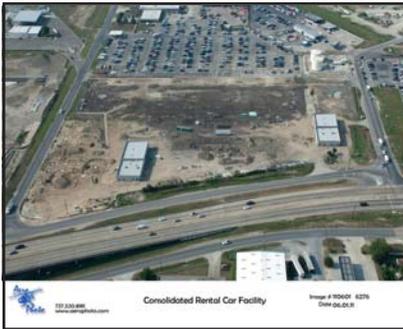
New Airfield Light Vault



Apron Rehabilitation - Concourse B
Gate B-7



Concourse D Expansion



Consolidated Rental Car Facility



Consolidated Rental Car Facility



Consolidated Rental Car Facility



New ARRF Facility



Approach Light Relocation Runway 10-28