

Airport *report*

Airport Expansion - A New Plan for the Future

By Iftikhar Ahmad
Director of Aviation

At the August New Orleans Aviation Board meeting, the following letter from New Orleans Mayor Mitch Landrieu was presented to the Board Chairman Nolan V. Rollins by New Orleans city officials:

Dear Nolan:

The Louis Armstrong International Airport (“MSY”) serves as a gateway to millions of tourists and business travelers each year and is a critical driver for the creation of jobs and economic development. MSY is the front door of our City, and improving our airport is integral to our success as a world-class travel destination and hub for commerce. I know the New Orleans Aviation Board (“NOAB”) shares my commitment to the revitalization of MSY.

MSY is a critical asset for the City, the region and the State. MSY carries approximately 80% of the State’s enplanements. It provides over 12,450 direct and indirect jobs for our community and facilitates over \$2.6 billion in tourism spending.

I commend Aviation Director Iftikhar Ahmad, the NOAB and MSY staff for their efforts over the last year. Significant progress has been made to improve the air service, facilities and customer experience at MSY.

We’ve seen renewed confidence by air carriers in the strength of the New Orleans market. International service to Toronto was added, and we gained nonstop service to several new domestic destinations, including Milwaukee, Kansas City and San Francisco. To make facilities more attractive and customer friendly, MSY completed an upgrade of the flight information display system throughout the terminal and opened 11 sets of completely renovated restrooms and 9 sets of restrooms with minor renovations. We also began the mid-term terminal renovations to enhance the look of the terminal inside and out prior to Super Bowl 2013. To improve customer service, concession hours were increased from 8:00 am-5:00 pm. to 5:00 am-8:00 pm. And ground was broken on the new Consolidated

Rental Car Facility to house all rental cars in one convenient garage location. MSY’s financial condition was recently recognized as improving, as both Standard & Poor’s and Fitch upgraded its bond ratings.

As we continue our efforts to grow our air service to meet the demands of our residents, businesses, visitors and conventioners, we see continued growth in passenger traffic from MSY. MSY exceeded 8.2 million passengers in 2010 with a 5.1% increase, a post-Katrina high. Further, we understand that, in the first quarter of 2011, enplanements at MSY were up 7.9%, compared to a national average of only 2.2%.

However, we know we have a long way to go to achieve the world-class airport that this City deserves. The Tourism Master Plan I commissioned as Lieutenant Governor identified the dated airport infrastructure and poor arrival experience as major “dissatisfiers” inhibiting our ability to grow as a top tourism destination, which we know also inhibits our ability to compete as a top destination for business and industry.

Our current facility is over 50 years old, much older than any of its peer airports. As a result of our crumbling infrastructure and other factors that drive costs up, we’ve seen the cost per enplanement (the cost to airlines to operate service from MSY) increase over the last several years, putting New Orleans at a competitive disadvantage to other cities with lower costs. We must take measures to correct these issues.

A world-class city like New Orleans deserves a world-class airport. MSY’s facilities must enable it to achieve excellent customer service, amenities and most importantly, connectivity and more direct flights. We must modernize our existing facility to improve efficiency and costs, while allowing us to grow and compete in this 21st-century economy.

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As the 300th anniversary of New Orleans approaches in 2018, my vision is to create a world-class, international airport that will contribute to the economic vitality of our region. For over 30 years, we have studied this issue, and we have collectively rejected proposals to move the airport to other locations. We cannot afford to let another 30 years go by without a clear path forward.

To that end, we have reviewed MSY's master plan and, in particular, its evaluation of options regarding the current airport facilities. The plan considered the option to build a brand new state-of-the-art airport terminal on the north side of current airport property, and rated it very highly. It also considered the possibility of expanding the airport adjacent to and west of the existing facility.

I am writing to request that the NOAB immediately undertake an in-depth and robust analysis of the proposed northside plans and make a recommendation to me for further action. The analysis should include: financial feasibility, environmental impact, design, and operational impacts, including potential uses for the existing terminal and surrounding infrastructure.

This report should also include: comparative analysis between the westside and northside options; cost-benefit analysis of continuing with current plans to improve the existing facility infrastructure, including the terminal and ground transportation improvements, in light of the potential construction of a new or expanded facility.

We will only pursue a course of action that is in the best interest of the citizens of New Orleans – one that is financially feasible and delivers a strong return on investment. We must also take into account the needs of MSY's neighbors, the City of Kenner, Jefferson Parish, St. Charles Parish and others, to ensure their quality of life is protected. Finally, any new plan must be acceptable to airlines and should promise to lower MSY's cost per enplanement, which will increase the marketability of New Orleans for more air service.

I look forward to continuing to work with you and the NOAB to ensure the success of MSY and the economic growth and competitiveness of our City.

Sincerely,
Mitchell J. Landrieu
City of New Orleans, Mayor

Long-Term Terminal Strategic Development Options



As we move forward, we will do everything possible to deliver an airport facility that is sound and mirrors the greatness of this city. I look forward to reporting our progress. ✈



Iftikhar Ahmad, director of aviation for Louis Armstrong New Orleans International Airport may be reached at director@flymsy.com.

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 at [facebook.com/MSYAirport](https://www.facebook.com/MSYAirport) and Twitter @NO_Airport.



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