



**Date of Council Meeting:** September 12, 2016

**TOWN OF LEESBURG  
TOWN COUNCIL WORK SESSION**

**Subject:** Airport Hangars Financial Plan

**Staff Contacts:** Scott Coffman, Manager, Leesburg Executive Airport  
Clark Case, Director, Finance and Administrative Services

**Council Action Requested:** Information only.

**Staff Recommendation:** Information only.

**Commission Recommendation:** The Airport Commission recommends the Town construct new T-hangars and acquire an existing commercial hangar complex.

**Fiscal Impact:** In preparation of the Fiscal Year 2018 budget, staff will review the financial capability of the Town and benefits to acquiring an existing commercial hangar complex and constructing the Airport North Hangars project identified in the Fiscal Year 2016-2021 Capital Improvement Plan (CIP). Because these two projects generate revenue through leasing of space and can be categorized as an enterprise, there are potential finance options outside of the Town's General Obligation debt capacity.

**Work Plan Impact:** The schedule for the Airport North Hangar project in the adopted Fiscal Year 2017 Capital Improvement Program is for design work to begin in Fiscal Year 2019.

**Executive Summary:** When the Chair and Vice Chair of the Airport Commission presented their annual report to the Town Council on April 25, 2016 they requested the Council and staff to evaluate its financial capability to advance the construction of the Airport North Hangars Capital Improvement Program project and to acquire an existing commercial aircraft hangar complex, both deemed as priorities for sustaining airport business operations. As both projects generate lease revenues, Town staff will provide a financial analysis for consideration as part of the Fiscal Year 2018 budget development process.

**Background:** The Airport Commission has asked the Town to evaluate the financial capability and performance of two hangar projects. Town staff will providing this analysis and recommendations for consideration in the Fiscal Year 2018 budget discussions early next year.

**Airport North Hangars**

In recent years, the Leesburg Executive Airport has enjoyed 100 percent occupancy of its leased T-hangar and corporate hangar units. T-hangars currently have a waiting list of approximately three years or 47 persons. To meet this demand, the adopted Capital Improvement Plan (CIP) identifies the Airport North Hangars project to construct 22 T-hangar units and 6 corporate hangar units, with work beginning in Fiscal Year 2019 (Figure 1). Through state construction-grant assistance and hangar leases, the project is anticipated to generate positive revenue for the Town.



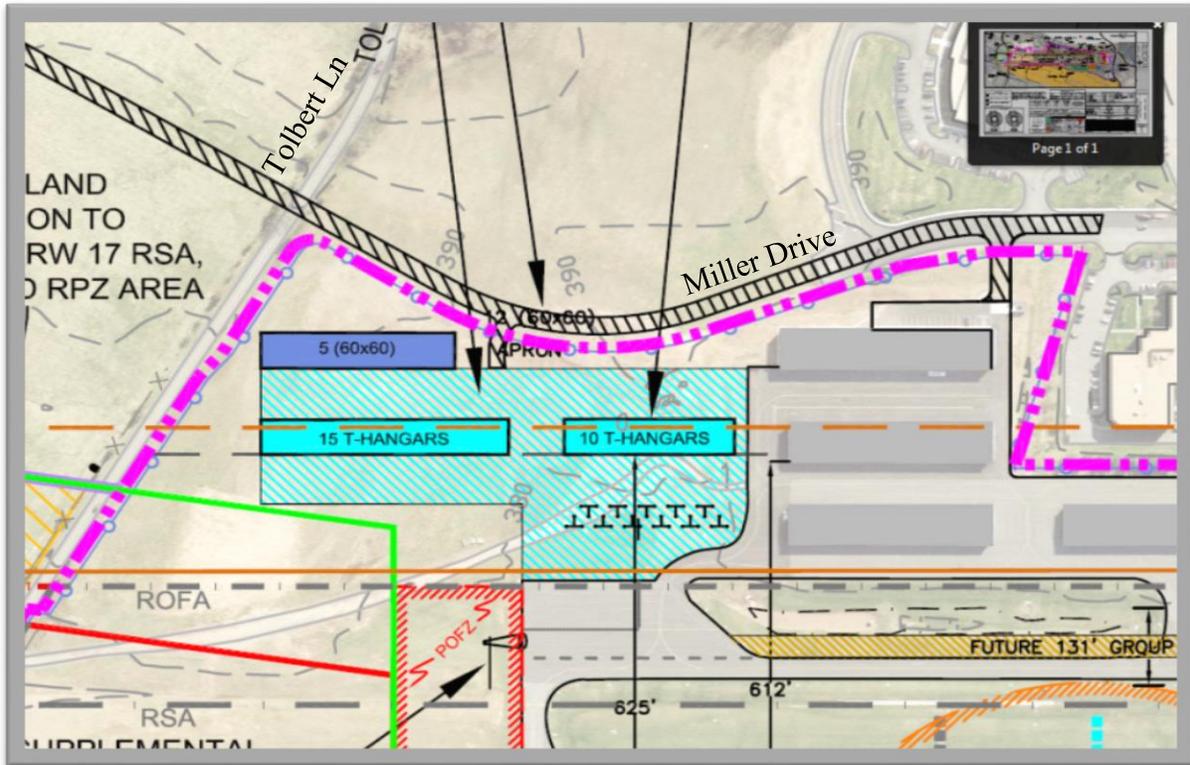


Figure 1 - Airport North Hangars Project



Figure 2 - Commercial Hangar Complex