



AVIATION ACTIVITIES UPDATE

May 4, 2020

COVID-19 (Coronavirus) Pandemic

As a provider of essential services, the City of Newport Beach has been operating, albeit differently, in the six weeks since California's stay-at-home order went into effect. We've adjusted our operations and put new work practices in place to facilitate our crisis response and safely deliver services to our community. These two areas continue to require a great deal of time and attention.

Another challenge the City is facing is the sudden and severe loss in revenue resulting from the impact the crisis is having on our local businesses. With most hotels closed or at very low occupancy levels, and retail, restaurants and other businesses closed or operating minimally, the City's sales tax and transient occupancy tax revenues will be significantly lower than anticipated. We estimate a \$13.5 million revenue loss for the remainder of the current fiscal year (ends June 30), and already cut that same amount out of the current operating budget. The cost-reduction measures include the temporary scaling back of work on a number of projects and initiatives, including some aviation-related projects. Though difficult, we strongly believe this cost cutting is necessary, and the right thing to do, to position the organization to recover more quickly once the economy improves.

Through it all, we have continued to follow what's happening at John Wayne Airport, the actions of the county and federal governments, and the status of air traffic and the airline industry. All of these entities have, of course, also been impacted by this crisis and they too are trying to do business differently.

City staff will continue to monitor aviation issues and be poised to get our projects and initiatives back online in a few months, with a caveat. As we better understand the long-term impacts to the aviation industry and John Wayne Airport specifically, our priorities and focus may adapt as well.

John Wayne Airport Statistics

John Wayne Airport released its [March 2020 statistics](#) and the figures illustrate the impact the COVID-19 crisis has had on airline travel and airport operations. JWA staff also shared some preliminary data for the first part of April. (Please note: the April data is preliminary as JWA staff is still in the process of flight matching the data for accuracy.)

Passenger Traffic

- March 1-31, 2020, passenger traffic decreased by 63.40% when compared to the same period in 2019.
- April 1-18, 2020, passenger traffic decreased by 97.42% when compared to the same period in 2019.
- March 1-April 18, 2020, passenger traffic decreased by 75.97% when compared to the same period in 2019.

Commercial Aircraft Operations

- March 1-31, 2020, commercial aircraft operations (take-offs & landings) decreased by 25.09% when compared to the same period in 2019.
- April 1-18, 2020, commercial aircraft operations (take-offs & landings) decreased by 76.16% when compared to the same period in 2019.

General Aviation

- General Aviation operations decreased 39.1% for March 2020 when compared to March 2019.

General Aviation Improvement Program (GAIP) – New Timeline Provided

There’s been another change to the GAIP schedule. John Wayne Airport recently requested more information from the Fixed Base Operators proposing on the GAIP. The information is due to JWA on June 1 and the County has provided the following revised schedule for the review, approval and implementation of the GAIP.

Airport Commission Meeting	August 2020
Board Selects Preferred FBOs	3 rd Quarter 2020
Negotiation of Terms with Selected FBOs	3 rd Quarter 2020
Board Award of Leases to FBOs	4 th Quarter 2020
Construction Plans and Permitting	2021
GAIP Implementation Begins	Post 2021

Aviation Committee Meetings Canceled through June

Aviation Committee meetings have been canceled through June 2020. While the City has adopted a technology solution for hosting public meetings online, it requires a great deal more coordination to host a virtual public meeting, particularly with a large committee. Thus, the City is currently limiting public meetings to those that have time-sensitive action items. With the GAIP timeline changed and work on some of the City’s major aviation initiatives temporarily suspended, there are no pending action items for the Aviation Committee to consider.