

Airline Minimum Revenue Guarantees (MRGs) - March 2017
Survey Requested by Ketchum, ID

| City | Does your city fund airlines with MRGs? | What is the annual funding for MRGs? | What is the funding source? | Additional Comments |
|-------------------|---|--------------------------------------|-----------------------------|--|
| Snowmass | No | | | Our demand is self-sufficient enough that we don't do MRGs at the Aspen Airport |
| Aspen | No | | | Aspen does not have MRGs with the airlines. The most we do is cover some up-front costs by contract when a new airline is considering serving Aspen. |
| Mt. Crested Butte | No | | | Through our Admissions Tax Grant program, the town granted \$230,000 to our County Wide Tourism Association in 2016-17 specifically for the marketing and promotion of our guaranteed flight program into Gunnison/Crested Butte Regional Airport. Also, Gunnison County has a Rural Transportation Authority that has a 1% sales tax that is used for MRG's and a Gunnison to Mt. Crested Butte free bus system. |
| Park City | No | | | When I worked for American Skiing Company, we budgeted, and sometimes spent, around \$1 million each year for MRGs at Steamboat. Not sure if the city of Steamboat also contributed, however if you only ask about cities providing MRGs, you may not get a full picture. And our local resorts also do not fund airlines MRGs. |
| Jackson Hole | Yes | \$1.5 million | Town (\$10k)/County (\$15k) | Budget varies from year to year depending on number of flights, departure cities, etc. Balance of funding is raised in the private sector; when a business contributes, their employees get ski pass benefits. |
| Eagle County | | 550,000 | EGE Air Alliance | Raises money year year from public and private partners (municipalities, the County, businesses) to pay MRGs. Kathy Chandler-Henry |
| Steamboat Springs | Yes | \$5 million (LMD Budget) | Local Marketing District | Local Marketing District (LMD) that has dedicated accommodation taxes and previously a dedicated sales tax that partners with our Ski Area to fund MRGs. The LMD budgets for the worst case scenario which this year is about \$5M. However, depending on the number of passengers, fuel prices, and overall market the LMD has paid between \$300K-\$2M over the past 8 years. On top of this the Ski Corp puts in about \$1M annually. Ski Corp contribution and a 2% accommodations tax. There also was a .25% City sales tax for 5 years that expired 12/31/16. Kim Weber |
| Vail | Yes | \$550k | EGE Air Alliance | Public/private partnership with partners throughout Eagle County (Vail, Avon, Beaver Creek, Eagle, Gypsum). This is a general fund contribution, not dedicated tax funding. Kelli McDonald |

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|-----------------|-----|-----------|-----------------------------------|--|
| Durango | No | | | Ski resort subsidized flights from Texas about 15 years ago but doesn't believe that such a program would be accepted in the community now. Ron LeBlanc |
| Gunnison County | Yes | \$850,000 | Regional Transportation Authority | In Gunnison County Colorado we formed a Regional Transportation Authority years ago to provide ground transportation and contract with airlines for MRGs. Each of the municipalities in the district as well as the County have two board seats on the RTA so it has remained a cooperative and collaborative endeavor. None of the local governments fund MRGs directly, but we all participate through the RTA. The average MRG commitment over the last 10 years has been \$1.4 million annually with an average payout of around \$850,000. Historically, nearly half of that amount has been paid by partners of the RTA (primarily the ski resort). Recently, however, the RTA won a funding increase ballot measure and now funds all of the MRGs. The funding source is a 1% sales tax throughout the district. Matthew Birnie |
| Telluride | Yes | Varies | Colorado Flights Alliance | Colorado Flights Alliance is a public/private partnership primarily funded by excise taxes in the Towns of Telluride and Mountain Village, the Telluride Ski Resort and area businesses, as well as other regional partners including the City of Montrose and Ouray CVB. Todd Brown |