

SUSTAINABLE AIRPORT AREAS

METROPOLIS INITIATIVE

Report on the Second Workshop - Atlanta, September 20, 2016

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The organizers wish to express their deepest gratitude to all the participants for their invaluable contribution to the success of this initiative. Thanks to their discussions and to the collective intelligence they have deployed throughout the workshop, many key issues were raised and discussed, and many good practices were identified. All this rich material will directly feed the work on the forthcoming Good Practice Guide.

Contents

I.	The “Sustainable Airport Areas” Initiative	04
A.	Main objectives	04
B.	Leaders of the Initiative and partners	04
C.	Schedule	05
II.	The Second Workshop	06
A.	Program	06
B.	Methodology	07
C.	Main outcomes	09
	<i>Urban Planning & Development – macro-scale</i>	09
	<i>Urban Planning & Development – micro-scale</i>	15
	<i>Governance</i>	18
	<i>Competitiveness</i>	23
	<i>Funding Issues</i>	26
	Next Steps	30
	Appendix – List of Participants	31

I. The “Sustainable Airport Areas” Initiative

A. Main objectives

The main objective of the “Sustainable Airport Areas” Metropolis Initiative is to identify and disseminate best practices and recommendations related to the various dimensions of sustainable development in airport areas.

The final product of the Initiative will be the publication of a Good Practice Guide for Sustainable Airport Areas in June 2017. The guide’s main purpose will be to be used as a practical tool by all the organizations (local governments, airport authorities, local communities) concerned with airport area issues, in order to help them to plan, develop and manage their airport areas in a more sustainable way.

The initiative consists in several working sessions (workshops and business tours) related to sustainable airport areas. The first workshop was held in Paris on October 26 and 27, 2015. This report presents the outcomes of the second workshop held in Atlanta on September 20, 2016. A third workshop will be held in March 2017 in Brussels to finalize the work realized during the first two workshops. The Good Practice Guide will be officially launched during the 12th Metropolis World Congress that will be held in Montreal on June 19-23, 2017.

B. Leaders of the initiative and partners

The leaders and organizers of the Metropolis Initiative are:

- The Paris Region Urban Planning and Development Agency (IAU îdF)
- The Paris Region Council (Conseil Régional d’Ile-de-France)

The other partners of the Metropolis Initiative are:

- Hubstart Paris Region Association
- Orly International
- City of Atlanta
- Aéroports de Paris
- Paris Region Entreprises
- ARC (Airport Regions Conference)
- AMB (Àrea Metropolitana de Barcelona)
- Beijing Aerotropolis

C. Schedule

1 st half of 2015	Organizational issues: communication documents, identification of the participants, organization of the 1st workshop.
October 26-27, 2015	First workshop in Paris. Presentations of 8 international airport areas and their major challenges and work on the concept of “Sustainable Airport Area”. Tours of the Orly and Roissy-CDG airport areas
October 28, 2015	5 th Sustainable Airport Areas International Seminar: “Living labs for an environment-friendly development”, organized by Hubstart Paris and held jointly with the Metropolis workshop in Paris.
September 20, 2016	Second workshop in Atlanta. Participants worked on best practices and recommendations related to five key challenges facing sustainable airport areas.
September 21-22, 2016	6 th Sustainable Airport Areas International Seminar: “Fostering Human Resources as a key factor for developing a Sustainable Airport Area”, organized by Hubstart Paris and held jointly with the Metropolis workshop in Atlanta.
March 2017	Third workshop to be held in Brussels.
1 st half of 2017	Finalizing the Guide for Sustainable Airport Areas.
June 2017	Publication of the Guide for Sustainable Airport Areas and presentation to the Metropolis World Congress in Montreal.

II. The Second Workshop

A. Program

Location: The Electric Cities of Georgia (ECG), 75 Fifth Street N.W., Suite 850, Atlanta, GA 30308

TUESDAY, SEPTEMBER 20: WORKSHOP

08:00 AM	Welcome coffee
08:30 AM	<ul style="list-style-type: none"> • Welcome Address by Daryl Ingram, Vice President of Economic Development for ECG • Presentation of Metropolis, of the Sustainable Airport Areas Initiative and of the main outcomes of the 2015 workshop • Presentation of the program of the day • Round-table introduction of the participants
09:30 AM	Work session #1 in 4 thematic sub-groups : <ul style="list-style-type: none"> • Urban Planning & Development • Governance • Competitiveness • The Airport Area within the Broader Regional System
11:00 AM	Collective restitution of the main outcomes of work session #1
12:00 AM	Lunch
1:00 PM	Visit to the Georgia Resource Center- Georgia Power Economic Development The Georgia Resource Center is a public-private partnership dedicated to business attraction and expansion. It is owned and operated by Georgia Power
2:00 PM	Work session #2 in 4 thematic sub-groups : <ul style="list-style-type: none"> • Vision & Strategy • Mobility and Accessibility • Environmental Issues • Funding Issues
3:30 PM	Collective restitution of the main outcomes of work session #2
4:30 PM	Conclusions of the workshop
5:00 PM	End of the workshop

THURSDAY, SEPTEMBER 22: BUSINESS TOUR

1:00 PM – 4:00 PM	Greater Atlanta business tour organized jointly for the participants of the Metropolis workshop and Hubstart Sustainable Airport Area International Seminar
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B. Methodology

On September 20, 2016, the Sustainable Airport Area initiative held its second workshop in Atlanta, USA. This workshop took place almost one year after the [October 2015 Paris workshop](#). Participants in the workshop included representatives from six international airports (Atlanta, Paris-CDG, Beijing, Dakar, Vantaa, Barcelona), as well as international experts, consultants and scholars from Paris, Atlanta, Hong-Kong and Vancouver. In total, twenty-two high-level professionals attended the workshop.

During the previous 2015 Paris workshop, the participants had identified 10 key thematic challenges facing the sustainable planning and development of airport areas (see chart below).



The main objective of the 2016 Atlanta workshop was to identify and share good practices related to these key challenges. Due to limited time available, the organizers decided to slightly adapt the program and to focus on the following four challenges:

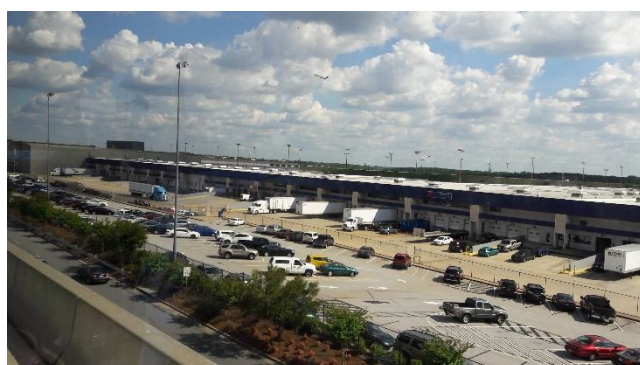
- Urban planning and development
- Governance
- Competitiveness
- Funding issues

Work groups were formed, each tackling one of the selected key challenges. Attendees were invited to select the two work groups they wished to participate in (one in the morning session, and the other one in the afternoon session). Given the large number of participants wishing to work on urban planning and development, this theme was divided into two work groups: one dealing with urban planning at the micro-scale, and the other one at the macro-scale.

This work method allowed for the collective identification of a number of good practices developed by international airport areas.

The workshop program also included a visit to the Georgia Resource Center - a world-renowned resource center run by Georgia Power and dedicated to attracting and expanding businesses in the State of Georgia. This presentation was a great opportunity to discuss branding and marketing issues related to airport areas and their surroundings.

On September 22, the participants took part in a business tour of the Atlanta Airport Area organized by the Atlanta Regional Commission (ARC). The business tour, held jointly with the Hubstart International Seminar, included visits to some of the major economic development sites and projects in the Airport Area, such as the new Porsche Headquarters, the redevelopment of the former Fort McPherson military base, the City of College Park and the new terminals currently under construction.



Business tour of the Atlanta Airport Area and visit to the Georgia Resource Center
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C. Main Outcomes

URBAN PLANNING AND DEVELOPMENT

macro scale



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Major policy issues to take into account:

- Collaboration, competition and cooperation with local authorities
- Flexible land use for airport area strategic framework
- Compensation for land expropriation (important issue in China)
- Considering the airport area development in the larger metropolitan context and in relation to CBD

Main airport area planning issues:

- Mobility and local connectivity for non-passengers in the airport area
- Provision of attractive housing and services for workers at all socio-economic levels: from entry level workers up to senior executives.
- Airport area tourism
- Environmental issues (sustainable servicing): stormwater runoff and remediation through wetlands, waste management (human waste and food waste), noise concerns...

Good practices related to the main issues

1. Collaboration, competition and cooperation with local authorities

Edmonton International Airport, Alberta, Canada

The Edmonton International Leduc (EIA) Partnership was created in order to develop the Leduc Alberta Aerotropolis. It includes the airport operators as well as the city of Leduc and the Leduc County (government together with airport operators). An airport connected development approach was embraced to define target end user economic sectors and their land use, building and employment requirements. Economic market-driven land use and development spatial framework (zoning) was determined. It responds to flexible land and building requirements of target economic sectors, called Flexible Form-Based Code (FBC). A compatible and complementary land use framework was defined. The results were:

- Collective synergy and cooperation to fund major roads and transportation infrastructures, including Aerotropolis boulevard, which will open up access to the major Port Alberta Logistics Park. The partnership is benefic to the airport, the city of Leduc and the County of Leduc.
- Collective strength to lobby provincial, regional and federal governments to fund major transport and transit improvements such as new interchange with the Queen Elisabeth Highway (aha CavaxMax trade corridor connecting Canada, USA and Mexico), as well as to accelerate the construction and the delivery of Mass Transit (potentially with light rail) from the Edmonton CBD to the Airport area.
- Necessary framework provided to attract and to market private and government investments for specific target compatible and complementary economic sectors including energy, aerospace, logistics, agri-business, perishables...

Example: Agrivalue Processing Business Incubator (APBI) was created near the Edmonton International Airport to assist the future of agriculture in the airport area. It is a multi-tenant facility providing infrastructure and services to support and enhance the establishment and growth of new companies and new business ventures in Alberta. The APBI is a federally registered establishment enabling resident companies to market their products nationally and internationally.



Agrivalue Processing Business Incubator (APBI) near the Edmonton International Airport
©Alberta Agriculture and Rural Development

2. Flexible land-use for airport area strategic framework

Paris-Charles de Gaulle International Airport (CDG), France

An economic development plan was created to assess the expansion possibilities and to identify the potential development projects in different sectors as well as their time-schedules. Flexible regulations were proposed to allow permanent modification and adaptation of the plan according to the evolution of the market.

The specification of each zone is defined in the economic development plan. Several locations are suggested for the development of different projects but some may be identified as having a stronger potential than others.

3. Compensation for land expropriation / room for growth

Beijing New Airport Area, China

Compensation for land expropriation is an important issue in Asian countries, where certain airports are in full expansion. The villages situated near the airport are demolished to allow the construction/extension of the airport. The main question is how to fairly compensate the residents.

A relocating house program providing framework for accompanying the residents in the expropriation process was created. It includes different compensation standards, environment actions, employment promotion, such as:

- Better design and construction are provided to local residents whose homes were demolished such as Green star II labelled houses.
- The residents are involved in the design and the construction of the new relocation housing.
- Standard social security services are provided for local residents such as pensions, medical care, education etc.
- Higher standard community service facilities are provided, such as kinder gardens, primary schools, nursing and commercial facilities...
- Trees and other landmarks from the original homes are preserved and replanted in the gardens of the replacement housing
- Vocational training for local residents is provided for free so that the rural population can make professional adjustment and find jobs in the service sector or industrial economy.
- Certain policies are applied to companies hiring local inhabitants.

4. Including the airport area development in the larger metropolitan context

Paris-Charles de Gaulle International Airport (CDG), France

A systemic and holistic approach is applied for the elaboration of a global strategic plan for the development of the airport area. Different stakeholders are involved in the project-level governance. The goal is to mix local public policy issues on different scales and create strategic plans, programs and projects.

This approach won the European Urban and Regional Planning Award in July 2016.

Denver International Airport (DEN), Colorado, USA and RTD Rail Transit Line

The recent delivery of RTD (Regional Transportation District) Rail Transit Line, a rail corridor connecting Denver International Airport to Denver CBD, has created a “Corridor of opportunity”, including 4 rail stations on the DEN properties:

- DEN south terminal and Westin hotel
- Tower road / Marriott Gaylord hotel and Conference Resort
- National Panasonic HQ offices, Smart city and housing
- High-way I-70 / Peña boulevard gateway

The construction of the stations stimulates redevelopment around them. It also provides access to/from airport, suburbs and CBD for employees of all different types.

5. Mobility and local connectivity for non-passengers

Mobility and transportation access are some of the main issues encountered in any airport around the world.

Hong Kong International Airport (HKG), Chek Lap Kok, China

Government subsidized a bus network (E-bus) to ensure citywide access to the airport for airport employees (fare, around 2\$, regardless of the distance). Direct connections to PTB (passenger terminal building), Cargo facilities, etc. are thus ensured. Limited night bus network operates for shift workers.

Paris-Charles de Gaulle International Airport (CDG), France

Local public transport plan: Twelve priority connections were identified to connect the residential areas to the offices where people work, as well as to the Paris Region public transport and to the future Great Paris underground network.

Charlotte Douglas International Airport (CLT), North Carolina, USA

The city, the county and the airport are involved and working together on the Airport area development strategy plan (on a 50 square mile area).

Major road improvements are key to unlock economic and real estate opportunities as well as social enhancement of the community.

- Enabling mobility and transportation improvements splits the mobility streams into:
 - Airport terminal / passenger traffic
 - Logistics / commercial goods traffic
 - Access to work / jobs
 - Local / regional commuter traffic
- Re-assignment of roads using City of Charlotte, State of North Carolina and Federal FAA funds to create a Road framework to achieve mobility improvements and to open-up real estate access for economic development including Norfolk Southern Railroad, intermodal logistics expansion of FTZ #57(Foreign Trade Zone, situated in the airport area).
- Accelerating the need for mass transit light rail corridor.

6. Attractive housing and services for workers at all socioeconomic levels

Main challenges:

- People don't want to live near the airport
- Lack of urban amenities and services
- Attraction of high-earning individuals

It is very important to build housing for all socioeconomic levels of employees, not only for the modest workers but also for the high qualified employees.

Dallas Fort Worth International Airport (DFW), Texas, USA

Dallas Fort Worth International Airport is situated at the intersection of five different municipalities including the cities of Dallas and Fort Worth.

DFW's excellent connectivity has attracted many Fortune 500 headquarter offices (Exxon, ADP Marshal, Sabre etc.). Their high-qualified employees live in some of the highest income housing in the USA situated within the DFW airport area (Irving, Grapevine, Southlake...).

Exxon and ADP are located in Las Colinas "edge city" in Irving. Las Colinas was a suburban business park until the recent construction of Dallas Area Regional Transit (DART) light rail which connected the DFW international airport to the CBD of Dallas as well as to Las Colinas, stimulating the urban development in the area.

This TOD (transit oriented development) brought more affordable, multi-family residential projects near the train station areas, appealing to young people, families and employees without cars.

7. Airport area and tourism

Tourism development strategy can be built on the existing strength of the airport area in terms of already existing infrastructures. The airport is well connected to the greater region and the idea is to develop **entertainment-driven tourism gateway** at the airport area.

Hong Kong International Airport (HKG), Chek Lap Kok, China

Hong Kong International Airport is an interesting example of entertainment-driven tourism development on an airport area. A wide spectrum of attractions was built around the airport: large scale entertainment center, cable car, nature experiences, Disneyland etc.

The **layover tourism** is becoming more important to the airports around the world as a result of the growth in the passengers traffic. The idea is to convince the passengers to spend a night at the airport and the immediate airport area or to propose an interesting program for people spending several hours on the airport due to a long transfer.

Seoul Incheon (ICN) and Narita airports are interesting examples of layover tourism, generating local employment. Free Transit Guided Tours are offered to visit some of the most popular tourist destinations in Seoul. Several tour options are proposed, varying from 1 to 5 hours and booking is possible at any of the Transit Tour Desks located inside the airport.

Memphis Aerotropolis (MEM), Tennessee, USA

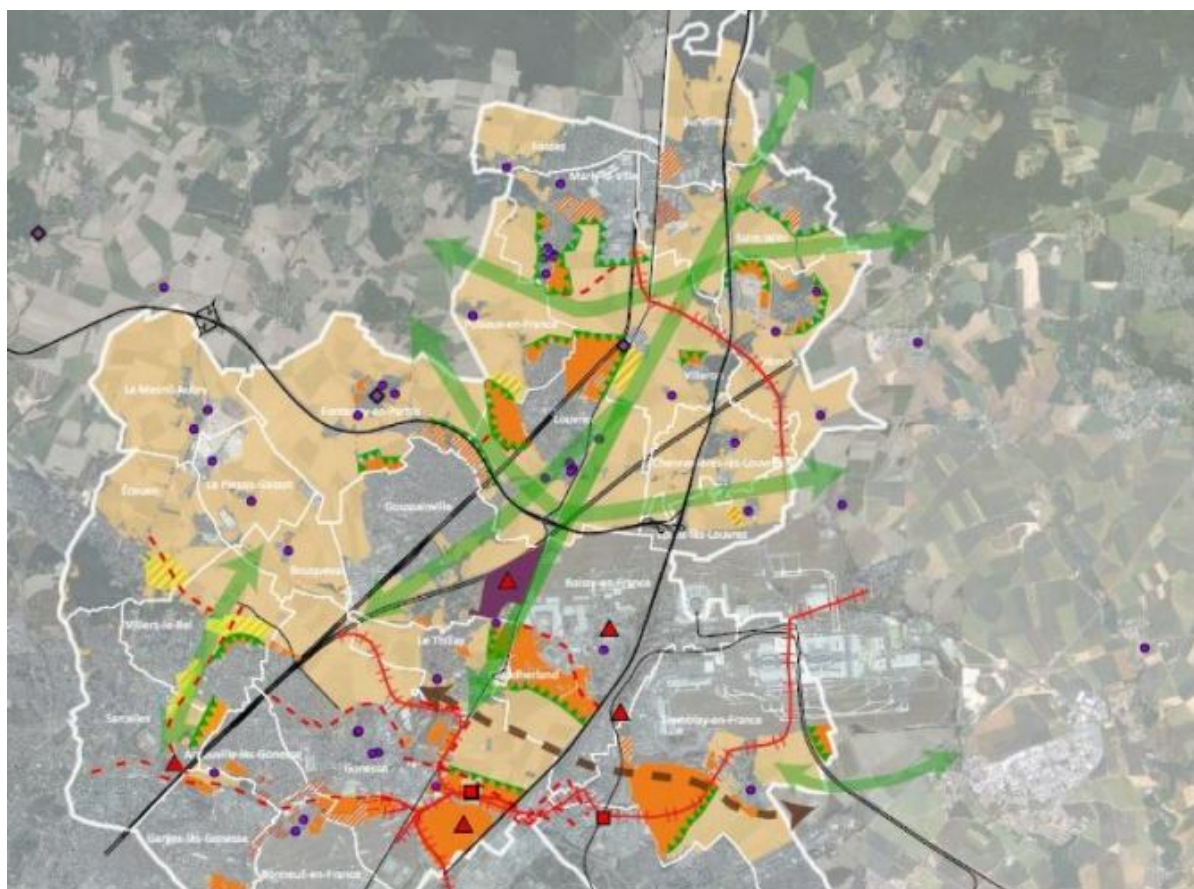
A tourist destination with more than 600 000 visitors/year, Graceland, the home of Elvis Presley is situated only 1 mile away from Memphis International Airport. It is located in a socially-challenged, economically-depressed neighborhood with high crime rates. The security is the main challenge facing the area.

Actions concerning the security enhancement of the area include improving high school education in order to prepare students for jobs associated with the airport area: tourism, different economic sectors, health improvement through better food (restaurants, supermarkets), as well as creation of sports park, tournament center and live performance – musical training academy at Graceland.

8. Sustainable servicing: dealing with water and waste management at the airport.

Paris-Charles de Gaulle International Airport (CDG), France

- Green and blue corridor plan is created in order to preserve and restore bio-diversity in and around the airport area.
- Agricultural plan will allow the identification of functional formal lands, giving them a clear view of land use for the present and future.



Agricultural plan of Grand Roissy Airport Area
© EPA PdF & DDT95

URBAN PLANNING AND DEVELOPMENT micro scale



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Key elements to consider when assessing the existing situation:

- Insert micro-scale urban planning within a larger planning scale (ex: Vantaa/Helsinki – regional/national);
- Identify the industries needed in an airport area (ex: ATL);
- Take examples and inspiration from other airport areas but without blindly copying/duplicating the urban development projects. Copying the others means running the risk of losing competitiveness;
- Identify transport industry trends – looking at surface access.

Examples:

- ARC surface access studies;
- Aviapolis Vantaa studies;
- Building up your own data (when using the existing data, there is a risk of duplication, loss of competitiveness);

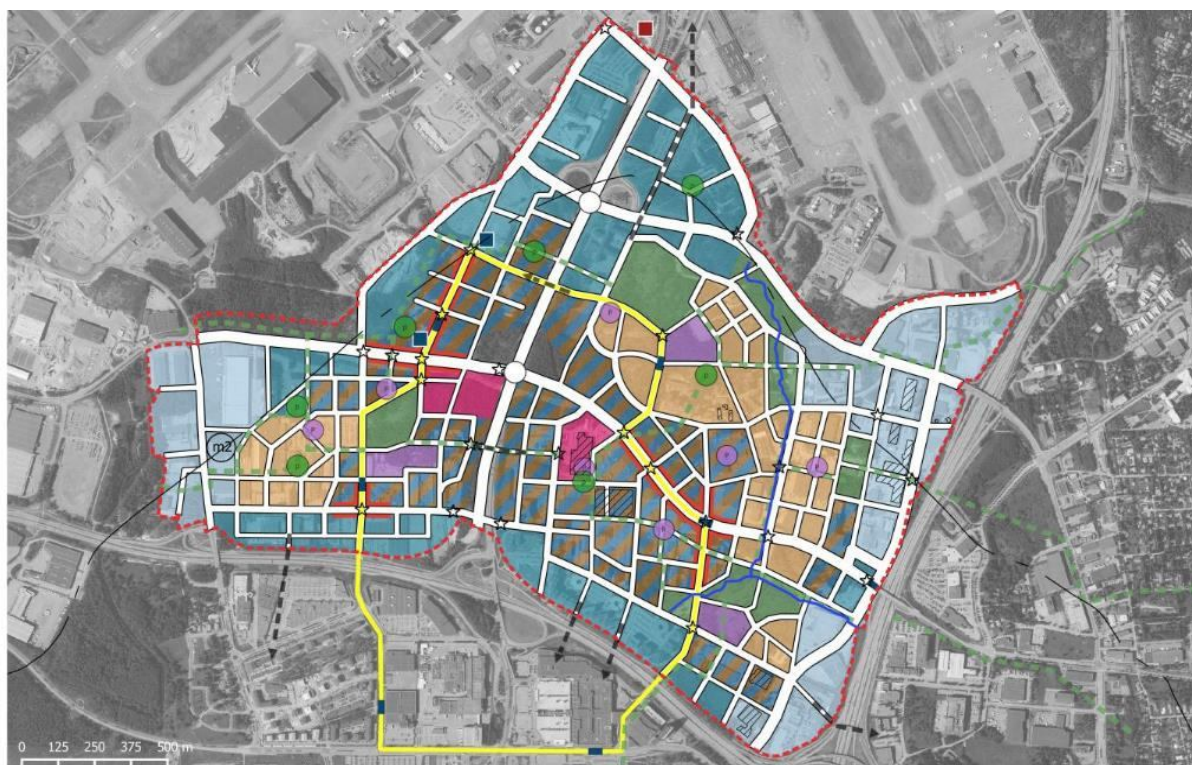
Key issues related to urban planning and development on micro scale:

- Defining the layers of the airport area and the functioning of the whole system like an entity.
- Making business locations sustainable through appropriate land ownership policy.
- Improving the urban quality of the area and the surroundings.
- Supporting urban dynamics either renewal or creation.
- Preserving the immaterial environment of the airport area (the importance of making the area digitally connected).
- Preserving the cultural and natural heritage (the attractiveness of the airport area).
- Involvement of local populations.
- Connections and surface access.
- Microscale strategies have to be closely related to the macroscale strategies.
- Discrepancy of timeframes (noise curves changes every 10 years whilst airport cities are being built forever). How do we manage the discrepancy in the thinking and the planning of the airport area?

Good practices related to the main issues

1. Supporting urban dynamics

- The importance of being open to new opportunities arising: arrival of Porsche in the airport area of **Hartfield-Jackson Atlanta International Airport** which is an “accident of history” made possible thanks to the flexibility of the urban planning.
- The flexibility stems from discussion and cooperation between all the parties: the example of **Aviapolis, Vantaa, Finland**



Aviapolis New Masterplan
© Vantaa, Aviapolis, 2016

2. Improving the urban quality

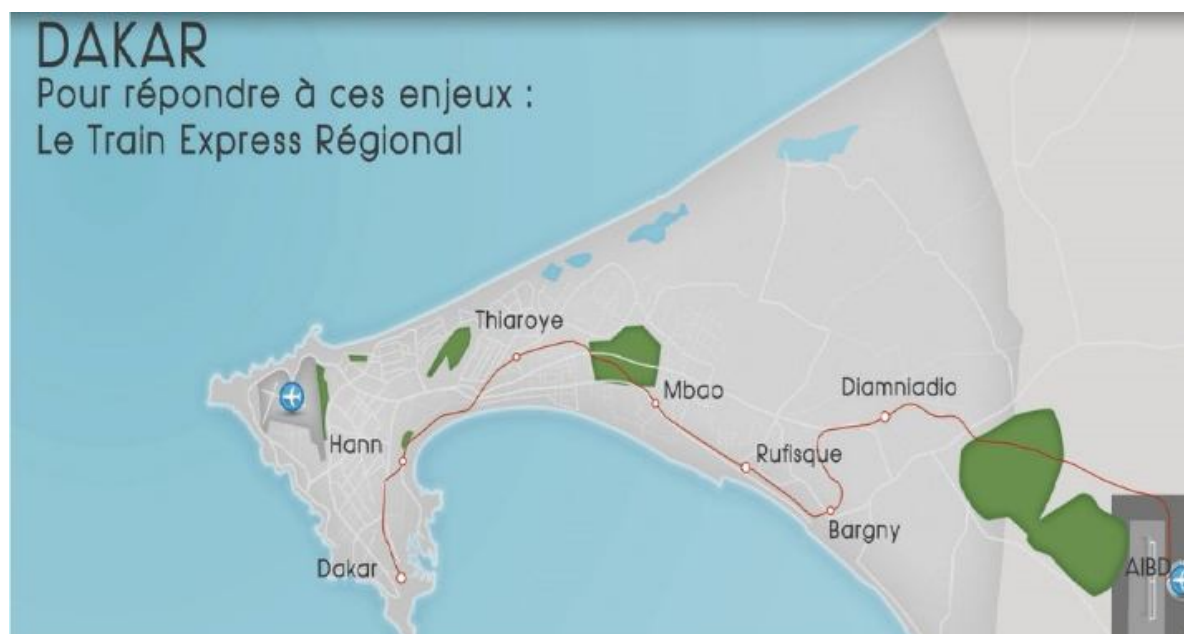
To improve the urban quality it is necessary to maintain/answer housing needs in the airport area and identify areas suitable for housing.

Example: SOWAER (Walloon region/ Liege airport area) housing policies – very strong real estate policies. The region has a real estate agency charged to buy the houses and to put them on the renting market. Considering noise issues, people are less inclined to complain and make problems if they are renting than if they were owners.

3. Surface access

Blaise Diagne International Airport, Dakar, Senegal

Train access is being built simultaneously with the construction of the new Dakar international airport. It is important to anticipate the need: not just reacting but being proactive.



New regional express line from Dakar to Blaise Diagne International Airport

© APIX S.A.

GOVERNANCE

Airport areas are developing all over the world. However, what is sometimes lacking is a formal framework that organizes their governing structure in an efficient way. The decision-making process is often exerted at several jurisdictional levels such as municipalities, counties, airport authorities or States. Because of the necessity to limit the negative consequences of this dispersion of power, it is important to put in place efficient governance mechanisms. Best practices show that this takes time. Building an efficient and agile governance structure is a gradual and tailor-made process.



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Five steps towards building an efficient governance process were identified:

- 1. Assessing the initial situation and identifying the major stakeholders**
- 2. Creating a common ground for collective work**
- 3. Building a shared vision**
- 4. Creating an alliance of key public and private partners**
- 5. Co-construction**

Good practices related to the main issues

1. Assessing the initial situation and identifying the major stakeholders

The first step is to identify which partners should be involved in the governance process. The list will generally include the airport authorities, local governments, private businesses and non-profit organizations involved in the development of the Airport Area, as well as representatives of the local communities living within the airport area. Another aspect is to assess the nature and intensity of the work relationships between these various stakeholders. It is also important to have a good assessment of the level of implication of the local communities.

In 2015, The Aerotropolis Atlanta Alliance (AAA) and the Atlanta Regional Commission (ARC) partnered to develop the **Aerotropolis Atlanta Blueprint**. The Blueprint provides a strategic framework to guide growth and development of the airport area for the next 5 years. The six month process included:

- Visioning with a subset of AAA members dedicated to the Blueprint.
- Interviews with AAA members and key area stakeholders over a two day time period.
- Existing conditions analysis.
- Week-long workshop to bring together interested stakeholders and the AAA under a joint strategy.
- Consensus around an action plan.



Stakeholder interviewees during the Atlanta Blueprint process
© Aerotropolis Atlanta Alliance

Aerotropolis Atlanta stakeholders played a core role in setting the plan's direction and focus. The resulting foundation includes a set of four strategic priorities along with a draft vision statement, guiding principles, and goals to help direct initiatives and actions moving forward.

2. Creating a common ground for collective work

The next step is to create opportunities for organizing meetings where the stakeholders can collectively identify and openly discuss key issues related to the Airport Area. For instance: how to try and minimize negatives externalities created by the airport? It is sometimes difficult to mobilize partners and have them work collectively on issues related to the development of their airport area. In Atlanta for instance, it has been a real challenge in the beginning of the process to have local elected representatives talk together not only about technical issues such as fire protection, but also about more critical and strategic issues.

Another important question to deal with is who should take the lead in organizing this concertation process? In Atlanta as well as in Paris-CDG, this role was devoted to the airport authority. There is then a second question: how to motivate the various stakeholders to effectively come and sit around the same table? It is not so much a question of governance as a question of project management. The dialogue with local communities is also very important.

3. Building a shared vision

The collective work will then be dedicated to drawing a shared vision of what the airport area should look like in the mid-to-long term, as well as setting up the strategy and identifying the main objectives that have to be reached in order to implement this vision. Issues related to economic development and to social inclusion are generally easiest to deal with in the first phase. Conversely, it may be more difficult to reach a collective agreement on environmental issues (such as noise or air pollution), but also on a long-term vision because of the pressure that the market often exerts on airlines and on companies. It is therefore important that the partners take all the time needed to build the vision, as well as to share this vision with the local populations.

In Atlanta, this collective work resulted in 2016 in the Blueprint, which embodies a public-private vision for advancing the partnership priorities and key initiatives to move that vision forward in a 1-5 year period. The Blueprint also identifies existing and proposed initiatives individual partners should pursue to help further the coalition's efforts.



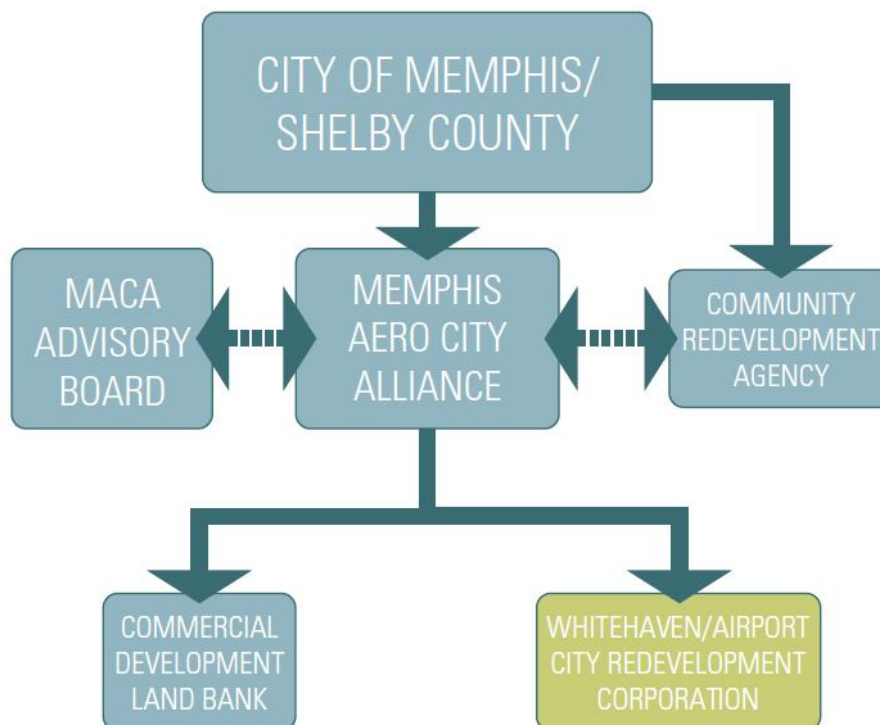
The Aerotropolis Atlanta Blueprint Process
© Aerotropolis Atlanta Alliance, 2016

4. Creating an alliance of key public and private partners

Whether the governance structure should be informal or formal is open to discussion. Above all, it must be adapted to the local situation.

Key principles of this governance process include: a) involving public and private stakeholders, b) being agile/flexible and c) adopting methods and tools of project management that will help collective work on various topics such as adopting a budget, setting up an operational and dedicated team, agreeing on the respective responsibilities and the decision-making process, etc. Project management is also about setting out clear objectives. This is what local authorities in Oslo started doing before creating an economic development agency. In the initial phase, creating mutual trust among the partners is key. A good way of achieving this is by focusing at first on one specific topic such as attractiveness. Once mutual trust and collective work habits are established among the partners, the scope of work can then be widened to include other topics.

Identified good practices are the **Aerotropolis Atlanta Alliance** for the Atlanta airport area, the **Memphis Aero City Alliance in Memphis** and **Hubstart Paris Region®** for the Paris-CDG airport area. These alliances include businesses, local governments, nonprofits and other interested parties located in their respective airport areas.



The Memphis Airport City organizational structure
 © Memphis Aero City Alliance, 2014

5. Co-construction

The ultimate goal is to work collectively on the largest possible range of topics related to the development of the airport area. This co-construction process should involve all the partners, from the public authorities to the private businesses to the local communities.

Good practices mentioned by the workshop participants include developing tools for transparency, for instance sharing online environmental data, as did the Metropolitan Washington Airports Authority.

Another key challenge is to create a sense of belonging in the Airport Area through developing what may be called “competitive identity” – meaning a specific positioning for the airport area that clearly sets it apart from competitors. Building a flagship building/ landmark as in Barcelona or in Munich is a good example of what can be made to assert this specific identity.

COMPETITIVENESS

Key Issues related to Competitiveness

When asked about the main factors that determine their location decisions, businesses often cite the following top two issues:

- **Workforce development and the educational/training system.** Does the available workforce in the airport area match the needs of potential employers that the airport area wishes to attract, as well as the needs of existing employers that wish to expand? What should be done to close the gaps between education and employable skills?
- **Long-term cost of doing business.** Areas sometimes struggle to attract businesses or succeed in having a company expand because these companies consider that it is too expensive for them to do business there.



© IAU-IDF, 2016

The other key issues related to competitiveness are:

- **Improving the perception/the image of the airport area.** Either locally, regionally or internationally, the perception of what an airport area is oftentimes negative. Many people may not be fully aware of the positive advantages an airport area can bring in terms of employment opportunities, attracting businesses, improving competitiveness, etc. Therefore, communicating better on all the positive things that are going on in an airport area is a major challenge.
- **Positioning in the value chain.** In order to make sure that the airport area occupies a distinct position, relative to competing airport areas, it is important to identify on which market segments it is profitable for the airport area to position itself. This implies analyzing the existing supply chain, which businesses are already in the region, and determining how they could assist attracting other businesses. For instance, if the airport area is home to automotive companies, which should be the target industries along the supply chain?

- **Marketing and branding.** The next step is to work on how to attract target industries, and to communicate on this positioning. Marketing and branding is therefore an important dimension of competitiveness: what story, what narrative should the airport area be telling about itself, and who should it be telling to.
- **Attracting SMEs.** An important component is not just focusing on the “big fish”, but also looking at small to medium-sized enterprises (SMEs), so that there is an ongoing churn of attracting businesses, retaining businesses and expanding businesses within the region. “It is the smaller companies that have a substantial impact when you add them up”.
- **Jurisdictional coordination/cohesiveness.** An airport area is often made up of several jurisdictions (local governments, airport authorities) that may have competing interests in attracting businesses. A key challenge is therefore to get the various jurisdictions to acknowledge the benefits of working together instead of competing with one another.
- **Having a plan, a physical document** that displays all the competitive advantages of the airport area in terms of workforce and education, transportation, land use, available floor space, urban design and amenities, etc. (See also the part on Governance)
- **Having a dedicated team.** It is important to have a dedicated team of economic development professionals who can actually pick up the phone when a company calls, give potential businesses all the information they need and help them through all the processes that may eventually lead them to the decision of settling in the airport area.
- **Easy and legible road connectivity & transportation access** is another key factor of competitiveness, as it improves the mobility of passengers, residents and goods, as well the access to jobs and institutions, retails, restaurants, housing, within the airport area.
- **The role of incentives** in attracting businesses and being a competitive region is generally seen as secondary. “It sweetens the pot, so to speak. It is not the make or break thing, but it adds to all the other issues”.

Good practices related to the main issues

1. Workforce development and the educational/training system

Atlanta International Airport

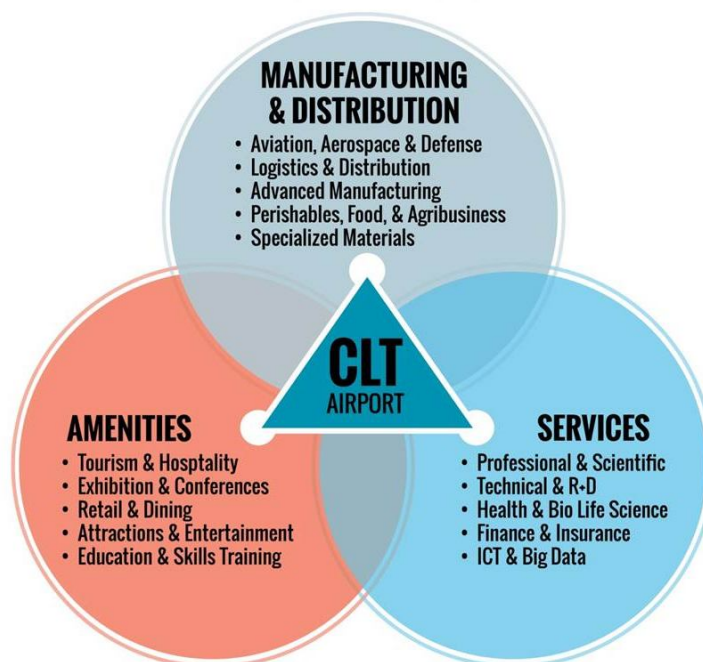
The **Aerotropolis Atlanta Alliance** has worked toward unifying workforce development strategies within the Atlanta airport area. Five workforce organizations divide the airport area into five zones. Many residents live in one zone and work or look for a job in another zone. They may therefore be confused about which workforce organization they should go to. Now that these organizations work as a unified network, any point of entry gets people to the right point.

2. Positioning in the value chain

Charlotte International Airport

In its Airport Area Strategic Development Plan, the Charlotte Airport has identified complementary and economic activities that it wishes to attract and develop within the airport area.

CLT AASDP STUDY AREA TARGET ECONOMIC CLUSTERS



Source: CLT Airport Area Strategic Development Plan (AASDP), 2016

3. Marketing and branding

Memphis International Airport

Memphis International Airport has developed an innovative storytelling on why and how it was selected by FedEx to establish its World Hub there, and how it helps them to attract new businesses.

4. Jurisdictional cohesiveness

The Aerotropolis Atlanta Alliance

Local governments in the Atlanta Metropolitan Area used to be more focused on competing locally with one another than on cooperating to compete with other regions. A major challenge was therefore to have the nine jurisdictions “aim higher” and work together on the “bigger picture”. Over the past several years, the Aerotropolis Atlanta Alliance has done much work to help the mayors realize the benefits of presenting a united front to increase the competitiveness of the whole airport area vis-à-vis other regions and airport areas. “If you put the resources of all the nine jurisdictions together, you can accomplish more.” This jurisdictional cohesiveness has been key to convincing Porsche to come to Atlanta. Even though Porsche established its new headquarters in one jurisdiction, the other mayors understood that they would benefit indirectly from its presence nearby, whether in terms of the positive publicity that it creates for the Atlanta region or in terms of Porsche executives and employees settling and consuming in their jurisdictions.

Intergovernmental agreements in Denver

Local jurisdictions in the Denver airport area have recently signed intergovernmental agreements that organize fair tax revenue sharing and distribution among these jurisdictions.

FUNDING ISSUES



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Public resources are becoming scarcer in many countries, and this can have an impact on the amount of public funding available for the development of airport areas. It is therefore crucial to have a clear assessment of the public financing capacities, to come up with innovative financing schemes and to diversify the sources of funding. Besides, for many airports the priority is to maintain their major airlines by reducing airline landing fees and charges. How then to fund all the activities that the communities expect the airport to fund?

Three main topics were discussed during the work session:

- **Funding what?**
- **Raising public and private funding**
- **Developing innovative funding mechanisms**

1. Funding what?

The key funding needs identified during the work session are the following:

- Major transportation infrastructure
- Marketing, branding and communication
- Workforce skills training
- Public-private alliances

This list will be completed and detailed in the Best Practice Guide.

2. Raising public and private funding

The common view is that the public sector is more concerned about creating public goods that may not generate direct financial benefits but have longer-term socio-economic returns on investment (such as improved accessibility or lower commuting times in the case of new transport infrastructure), whereas private investors are generally looking for more direct monetary returns on investment (RoI). For instance, some types of investments such as road or rail infrastructure are generally made by the public sector because the rate of RoI is not financially attractive to private investors, while other facilities with higher rates of RoI, such as terminals, hangars or shopping malls, can be developed through private funding. Heathrow International Airport, for instance, is completely private-owned by an international consortium led by Ferrovial, a Spanish multinational company.

More and more urban projects are also developed through PPPs whereby a private party provides a public service or project and assumes substantial financial, technical and operational risk in the project.

Besides, private investors may not be purely looking for rapid, direct return on investment. Their investment decisions can also be motivated by long-term development strategies. This is the case in the Atlanta Airport Area, which attracts many private investors. “These are developers, banks, car companies such as Porsche... They understand there is a long-term play, it is almost a protectionary move. They know that if the area develops and is promoted, their investment, their stake in the ground is protected. They don’t want to have to move five or ten years from now because the area never grows.”



Porsche invested \$100 million in its new U.S. headquarters, located within the Atlanta airport area
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3. Developing innovative funding mechanisms

There exist many funding mechanisms involving **different types of public-private partnerships**. In Brazil, for instance, the public authorities are quite classically in charge of planning new airport developments or transport infrastructure (such as a road connecting the airport to the CBD), but they generally let the private sector fund the project and build it. This public-private partnership scheme is

based on the premise that private developers tend to build in a more efficient and rapid way than the public sector does. This is also supposed to limit the recourse to public spending and borrowing. From the private investors' perspective, the motivation to invest in such PPPs lies in the expected return on investment. In the Brazilian context, the profit comes from induced real estate developments.

Airport authorities and local governments are increasingly using such kinds of financing mechanisms that relate to their capacity, as master developers, **to acquire, control and manage land within a long-term planning and land-use strategic framework**. This allows them to assemble land at cheap cost and low interest rates when the land is still affordable and not speculative yet. They can retain the land and preserve it from speculation in anticipation of future urban developments. **Once they have created the spatial framework of the land, they can then put it to the market**. As one participant put it: "they can then look for private-public partners and the private sector to come in because at that point there is a pitch." This mechanism can be of great use to attract private developers into investing in an airport area that is still under the radar of private investors.

Good practices related to the main issues

1. Raising public and private funding

The Atlanta Aerotropolis Alliance

A key issue is to get public and/or private partners to invest in airport areas. In Atlanta, the challenge has been to convince partners at the State level (the State of Georgia) that the airport is as much a major economic engine for the region as is the port of Savannah on the coast of Georgia, whose development the State has massively funded. The strategy has thus been to convince State partners that the airport is a major point of entry for all kinds of businesses and is the front door to the Atlanta metropolitan region and to the State of Georgia. "Over the next several years, Atlanta will be hosting some large national sporting events. Many people will be flying into the region, riding trains or driving cars up the interstate through the airport area that right now does not look great, it does not look invested in, roads need to be paved, the landscaping needs improving... So we have been spending a lot of time trying to convince the State to get the airport on their priority list and to take funding that was dedicated to the port of Savannah over to the airport."

Since 2014, the major tool for this lobbying effort has been the Atlanta Aerotropolis Alliance, which is a nonprofit organization created by some of the major local government and business leaders in order to market the airport area and to attract businesses. Members of the Alliance can now speak with one voice to State partners and can therefore leverage the impact of their messaging. The same is true with private funders. The State of Georgia is home to a large philanthropic, non-profit community that funds projects in low-income inner-city neighborhoods related to topics such as education or quality of life. These organizations could also be interested in funding projects within the airport area, such as workforce skills training programs. However, they do not want to disperse their funding to several different beneficiaries. They wish to direct it to where it can have the most impact. In this regard, the Alliance can have a positive impact because it creates a well-identified, single platform that can ask for those funds, receive them and implement projects thanks to these funds.

2. Developing innovative funding mechanisms

Denver International Airport

In Denver, there used to be no real estate market within the airport area because it was considered too far away from the CBD¹, until the airport authorities and local governments “primed the pump” by tying up land, planning it and marketing it to the target end-users.

Marketing is a very important aspect because attracting the right end-users is key to the success of such innovative funding mechanism. The end-user has to meet criteria for the kind of use that the planning authorities are looking for, such as having a solid long-term investment capacity. Indeed, this kind of investment generally returns in ten to twenty years rather than in three to five years.

The Aerospace Technology Campus at Vancouver International Airport

Vancouver International Airport is a good case-in-point of an airport area that has developed a strategy involving long-term public investment and strategic land-use planning, but also workforce development funding. In 1995, the provincial government of British Columbia, the airport authority and the British Columbia Institute of Technology (BCIT) engaged in a three-way partnership to create an aerospace technology campus near the south terminal. The airport’s contribution was to assemble the property, then underwrite it and ground lease it for sixty years for one dollar to the BC Institute of Technology. The BCIT used funding from the Province to erect a building dedicated to workforce training, as well as an office building to generate cash flow and revenue in conjunction with the developer. Twenty years on, students now come from all over the world to get training and pre-job placement in aeronautical engineering and aircraft maintenance and repair. This embedded technology campus is also very much appreciated by WestJet and Air Canada, the two major Canadian carriers, as well as by the local MRO [maintenance, repair & overhaul] companies. As one participant summed it up: “People at the Vancouver airport authority were brilliant because they knew that it would make them more competitive with their airlines and the MRO companies, they knew it would attract more businesses to set up at and around the airport, in Richmond – and it has been highly successful.”



BCIT’s Aerospace Technology Campus is located near Vancouver International Airport

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¹ Denver International Airport is 25 miles (40 km) driving distance from downtown Denver.

Next Steps

The third and last workshop will be held in Brussels in the beginning of March, 2017. It will be mainly focused on the key sustainability challenges that could not be discussed during this second workshop.

The first semester of 2017 will be dedicated to the finalization of the Good Practice Guide.

The Good Practice Guide will be officially launched during the 12th Metropolis World Congress that will be held in Montreal in June 19-23, 2017.

Should you be interested in collaborating with this initiative, do not hesitate to contact us:

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APPENDIX – List of the participants in the workshop

SURNAME	GIVEN NAME	ORGANIZATION	POSITION
ALEGRE CALERO	Sergi	Barcelona Metropolitan Area Airport Regions Conference	Metropolitan Councilor President
BENON	Jean-François	CEEVO95	General Manager
BODOSSIAN	Lea	Airport Regions Conference	Secretary General
CAI	Lingyu	Beijing New Aerotropolis Holding	Urban Planner
CANNAROZZO	Frank	Paris Terre d'Envol	Vice President
CHEYNE	Michael	Hartsfield-Jackson Atlanta International Airport	Director of Asset Management and Sustainability
DEMAN	Marc	GIP Emploi Roissy	Project Manager
DETILLEUX	Jean-Claude	Paris Region Entreprises	Vice President
DUBOS	François	EPA Plaine de France	Project Manager
GOLLAIN	Vincent	IAU-IDF	Director of the Economic Development
HERVOUËT	Martin	IAU-IDF	Project Manager
HIRSH	Max	University of Hong-Kong	Research Assistant
LE MASSON	Elisabeth	ADP	Delegate for Sustainable Development
LETOURNEUR	Chris	MXD Development Strategists	President & CEO
NIANG	Kaly	Blaise Diagne International Airport	Sociologist
NIKOLOVA	Teodora	IAU-IDF	Project Manager
PENTTILA	Hannu	City of Vantaa, Finland	Deputy Mayor
PIERRE-LOUIS	Suzanne	Camas Formation, Agence de Guadeloupe	Agency Manager
SATCHER	Daraka	SG Ventures, Atlanta	Chief Executive Officer
TULEY	Jonathan	Atlanta Regional Commission	Principal Planner
WILLIAMS	Shawn	MXD Development Strategists	Economic Development Planner
ZHANG	Carol	Beijing New Aerotropolis Holding	Project Manager of the Investment Management Dept