

Chicago DuPage Airport

Midwest general aviation reliever airport credits funding structure changes for financial turnaround

by David A. Lombardo

"Without a doubt, DuPage Airport [DPA] is the premier corporate aviation airport in the Midwest—both land and air side," David Bird, executive director of the DuPage Airport Authority (DAA) in West Chicago, told *AIN*. "It's not idle boasting; we can facilitate air traffic and still be a good neighbor in the community. Those are two key ingredients in the success of any airport."

Because of insightful long-range land-use planning, DPA has clean runway approaches that have minimal noise impact on the surrounding area. "Over the years we've been able to ensure compatible local area zoning and be aggressive with respect to land-use planning and purchasing," he said. "We are fortunate to be this close to one of the world's premier cities and not have noise issues. We're 32 miles as the crow flies from the Chicago Loop—the city's business district."

"Admittedly, commute time to the Loop hurts us because our access to the interstate system isn't very good. All things considered it's about an hour's drive to downtown," Bird said. "We have rental cars and limo service for those who need to go into the city, but our typical user is going to the western suburbs. I'm convinced that if we could get helicopter service to the Loop it would change that paradigm because it would be a mere 10- to 12-minute flight."

Chicago Mayor Richard Daley has historically been anti-business aviation and was the architect of the secret midnight demolition of Meigs Field, the city's beloved lakelakefront airport. There has been little sympathy from city hall for the idea of helicopter service into the downtown area, but Bird remains optimistic.

"City hall has been more receptive to the idea recently than it has been in the past, and we would like to be active participants in the development of helicopter service if it comes to fruition. I believe it would make DuPage the airport of choice for business aircraft," he said.

With respect to the airside, DPA has about everything a based or transient air-

craft could want. At 200,000 operations a year (takeoffs and landings), and with the capacity to handle 45 percent more, it is the third busiest airport in Illinois. O'Hare International Airport averages one million operations annually, and Midway Airport comes in at 267,000.

"We are the 100th busiest airport in the U.S. and have 483 based aircraft representing such notable corporations as ServiceMaster, McDonald's and Sears. More than 95 of the based aircraft are jet and turboprop, the highest number for any airport in Illinois," Bird said. "We're open 24 hours a day, 365 days a year, and we're an international airport with U.S. customs on the field."

DuPage Airport has 7,570- by 100-foot 2L/20R primary instrument runway (ILS, VOR and GPS) and a 5,100- by 100-foot parallel runway. The crosswind runway (10/28) is 4,751 feet by 75 feet and has ILS, VOR and GPS approaches. There is also 3,401- by 100-foot hard-surface Runway 15/33.

"We're planning to expand the crosswind runway to 6,000 feet, though it will require some additional land acquisition and a redesign of traffic flow on Powis Road, but the county is sympathetic," Bird said. "The other project on the burner is strengthening and widening the primary runway to 150 feet to make it more compatible with the BBJ, though we already have the capacity to accommodate any [purpose-designed] corporate aircraft today." The airport also has a fire station staffed around the clock.

A Long, Colorful History

DuPage Airport is located on what used to be sheep-grazing land, but in 1927 two Chicago entrepreneurs purchased the land and began barnstorming, using the field as a grass strip. In 1941 the U.S. Navy requisitioned DuPage Airport, built brick hangars, paved two runways in an "X" pattern and began training pilots for the war effort. Both the hangars and the original runway configuration still exist.

A year after the Navy began operations,



DuPage County Airport in West Chicago is the 100th busiest airport in the U.S. and is home to 483 based aircraft, about 100 of which are turboprops and jets. The airport authority owns and operates the DuPage Flight Center; above, the field's sole FBO.

Howard Aircraft opened a factory east of the airport across the road. The company built more than 500 air transport and air ambulance aircraft for the military, and Howard employees were regularly seen pushing aircraft across the road to the little airport to test fly them.

In 1946, with the war over, the Navy sold the airport to DuPage County for \$1. The post-war boom saw a lot of regional growth and the airport reflected it by adding an east/west runway and a five-story control tower and making plans for further expansion.

In the late 1970s DuPage Airport was designated a reliever airport for general aviation aircraft, and in the early 1980s the airport authority began an expansion project to accommodate the increased traffic. However, planners learned a lesson from the plight of the beleaguered, land-locked Midway Airport. Surrounded by houses, restaurants and other small businesses, Midway found itself unable to expand and neighbors filed an endless succession of noise complaints. DuPage County would not make the same mistake.

A Self-sufficient, Market-driven Property

The airport grew from 900 acres in 1985 to 2,800 acres by 1992, with the clear goal of maintaining control of all the property surrounding the runway complex. Much of the land was acquired to provide a large buffer zone around the airport.

Newspapers at the time lambasted the airport authority for acquiring far more property than editorial writers seemed to think was necessary to run an airport. When the airport authority turned some of that property into airport-compatible revenue streams such as a golf course and an industrial park rather than let it sit idle, the editorials accused the authority of becoming a land baron and losing touch with reality.

But according to Michael Masciola, director of business development and marketing for the DAA, maintaining control has yielded many benefits—both planned and unplanned. "During the planning for the parallel runways it became obvious that the increase in hard surface was a potential flooding problem," he said. "The creative solution was Prairie Landing Golf Club."

DAA built a golf course to the south of the airport on the land it had acquired as a buffer zone. Airport drainage canals were then designed to empty into golf course drainage hazards. "We had golf course designer Robert Trent Jones Jr. re-create a Scotland-like rolling hills golf course to accommodate it," Masciola said.

"He sculpted look-alike Scottish terrain by using the dirt from the construction of the two north/south runways. Everyone won: we maintained compatible land use to reduce both noise issues and approach-path obstructions; we solved the airport drainage problem; we found a place to offload the dirt moved during construction; we built a first-class public golf course; and we created a non-aviation-related revenue stream for the airport authority to help reduce county property owners' tax burden. And, we have a comprehensive wildlife management program supplemented by an additional program that gains control over bird and coyote populations."

The airport's good drainage and control of free-ranging wildlife and birds are testament to the wisdom of the decision—as are the 27,000 rounds of golf played at the course annually.

According to Bird, for the past two years the DAA has been reinventing itself as a market-driven airport working toward eliminating its reliance on tax revenues for operating funds. Before 2003, the airport had been on a trend of worsening annual operating losses. That trend was reversed in 2003 and the airport has continued to show improved operating results each quarter since. Last year the airport experienced a record-breaking year, with revenue up and expenditures down.

The cornerstone of the airport's financial turnaround is the mission statement developed by the airport's Board of Commissioners in 2003. It establishes the framework for moving the airport toward operating as a self-sustaining facility while contributing to the economic impact of the county. The aggressive philosophy has resulted in two leases that will bring 60,000 sq ft of new hangar space to the airport. The airport is also developing another 48,000 sq ft of hangar space.

Masciola explained that the airport receives about \$6.5 million per year from DuPage County property taxes. "It



DuPage has twice been the host airport for NBAA's regional forums—once in 2002 and again in June 2004. Last year's event at DuPage attracted more than 70 exhibitors, 30 static-display aircraft and some 1,000 attendees. Right, DuPage Airport Authority executive director David Bird.

equates to an average of about \$16 a year per property owner," he said. "It's not a huge amount, but it shows up on property owners' tax bills, and no one likes anything on a tax bill.

'Creative' Real-estate Ventures

"By being creative and businesslike with our property holdings we're making a conscious effort to reduce our dependence upon the property owners of DuPage County. We now use that money exclusively to pay off bond debt on the runway extension. Those bonds end in 2007, and we intend to reduce our reliance on the property taxes by using them only for capital development in the future."

Of the 2,800 acres the airport owns—including the golf course and industrial park—the airport proper is 1,400 acres, the largest of any general aviation airport in the greater Chicago area, and far larger even than Midway Airport at 640 acres. The next closest are Aurora Municipal Airport with 1,100 acres, Lewis University Airport with 750 acres and Palwaukee Airport with 575 acres.

The size of the airport creates its own problems as it has more than 10 million sq

feet of pavement to be plowed and 1,264 acres of turf area, the equivalent of 980 football fields, to be mowed. "During the growing season the grass needs to be mowed every eight to 10 days," Masciola said. "As soon as our field crews finish mowing it's time to start again."



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The progress and growth of DuPage Airport turned a significant corner in December with the approval of an agreement between CenterPoint Properties of Oak Brook and DAA to develop the DuPage Technology Park. The revenue stream should grow during the next 10 years, increasing to \$8 million a year when the development is at full capacity. In return, the airport will complete the \$34 million in infrastructure improvements already in progress, including advanced fiber-optic and communications systems, access roads, landscaping, utilities and drainage facilities.

DAA does not rely solely on off-airport business ventures to pay the bills. It owns and operates the DuPage Flight Center, the only FBO on the field that sells fuel. "We

have a comfortable, accommodating FBO facility," Bird said. "It is a beautiful and spacious 42,000-sq-ft building accented with arched windows, granite floors and stunning architectural features. It includes a newly remodeled workout room with Universal Fitness weight machine, treadmill, recumbent and upright bikes, a Stairmaster and satellite tv. There is also a locker room with showers and fresh towels."

On the airside there's 1 million sq ft of ramp space in addition to transient hangar space capable of handling high-tail aircraft. According to Bird, the airport authority has built 246,000 sq ft of new jet/turbine hangars in the past five years. It also has 513,000 total sq ft of corporate/FBO hangars in addition to 203,000 total sq ft of T-hangar space.

"Thanks to Phillips 66, our partner, we were given a \$220,000 grant to upgrade our facility," Bird said. "It allowed us to put in new carpet, install new plush passenger seating, add plasma screen TVs, comfortable theater seating in the pilot lounge and free Internet access work stations and wireless Internet service. We also took over the Kitty Hawk Cafe in the lobby. It is now

of how the fleet mix has changed here."

All line service supervisors are trained in the National Air Transportation Association's Safety First Program. DuPage Flight Center offers lavatory service, oxygen and nitrogen, oil, potable water, ground power and de-icing with a fully equipped 35-foot-boom de-icing truck. It operates electric powered towing vehicles capable of moving small, medium and large jets.

The airport has 621,000 sq ft of corporate/FBO hangar space, owned almost exclusively by DAA. Ramps in the corporate area are 320 feet wide to allow two GVs to pass wingtip to wingtip. Another 160 acres of open land is readily available for corporate hangar development, more than at any other business aviation airport in the state.

"We have a lot of room for expansion," Masciola said. "But we're doing it in a controlled manner. We build in pieces as demand dictates, but our land-rich airport is clearly a place where business can thrive. We are constantly looking for ways to improve the safety and efficiency of our runways, taxiways, ramps and buildings. We have already committed more than \$5 million in federal money to improvements."

One of the most appealing aspects of the airport, according to the operator, is flexibility. There are 24-hour security patrols and full fencing, yet Bird has seen to it that private cars and limos can gain access to the ramp to service aircraft by prior arrangement. They have managed to strike a balance between security and practicality that makes business aviation popular in the first place.

On-airport Profit Centers

DuPage Airport has 44 businesses on the field employing 637 people earning a total annual payroll of \$30.1 million. The airport is home to an FAA Flight Standards District Office and the NTSB North Central Regional Office, which covers an 11-state area.

Planemasters, a longtime tenant, is one of the Midwest's largest executive charter operators, and Mukenschnabl is a complete aircraft maintenance facility for turbine and piston aircraft.

Another tenant, J.A. Air Center, offers an on-airport aircraft interior repair shop. It is also the world's largest Garmin GPS dealer for the sixth year. Since 1967 the company has received more than 80 awards, including recognition for aircraft sales, aviation maintenance safety, accident prevention and avionics. In all, there are three maintenance and avionics businesses on the airfield offering major airframe and powerplant service.

The Pilot Shop is the only dedicated, on-airport pilot supply store in Illinois. It offers navigational gear, aircraft accessories, gifts and training materials.

T-Bird Aviation, another airport tenant, provides aircraft acquisition, management and worldwide private jet charter and helicopter service. T-Bird has been approved by Securitas Security Services USA to continue transporting executives of a well-known worldwide vehicle manufacturer. It is among only six charter companies in the U.S. qualified to do so.

Tackling the Windy City's Winter Weather

DuPage has 10.8 million sq ft of pavement, including runways, taxiways, ramp area, roads and parking lots. When it snows, field crews clear an area equivalent to 102 miles of two-lane road. According to Michael Masciola, director of business development and marketing for the DuPage Airport Authority, the airport has won numerous awards for its snow removal prowess.

"We're frequently the only GA airport in Chicagoland that remains open," he said. "We'll work around the clock to get the job done. One of the reasons we have more than 100 turbine-powered business aircraft based here is because we are able to keep the airport open in some of the worst weather the Midwest can serve up. We have been open during snowstorms when you couldn't even drive to the airport. In 31 years we have been closed only one time due to weather. It was a severe ice storm in the 1970s."

DuPage is a past recipient of the annual Berri Balchen Award for excellence in battling the winter elements, presented by the International Aviation Snow Symposium. The DuPage staff has been rated outstanding for performance in snow and ice control, equipment readiness, personnel training and overall safety awareness. —D.A.L.



The airport has several flight training operations, including the nationally recognized American Flyers, a company that has specialized in flight training with nationwide locations since 1939.

The reason DAA has so much flexibility and can respond to opportunities quickly is because it is an Illinois Special District rather than a government agency. It is governed by a nine-member, independent, business-oriented airport Board of Commissioners appointed by the DuPage County chairman. According to Bird, the board is composed of top business leaders in the Chicago area and is focused solely on airport matters without the politics of city-run boards. "We have the right to approve building plans and expedite approvals," he said. "It reduces the inefficient wait time that can often put you behind. Instead, we can operate a dynamic business that can take advantage of opportunities as they arise." □