

**NORTHWEST REGIONAL AIRPORT AUTHORITY  
COMMERCIAL AIR SERVICE INCENTIVE PLAN**

**Resolution No. 2025-\_\_\_**

**Definitions:**

**“Airport”** – The Northwest Regional Airport Authority.

**“Airport Landing Fees”** – Fees charged by the Airport to land at TVC, allocated by weight.

**“Carrier”** – an Existing Carrier or New Carrier.

**“Commercial Service at TVC”** – Scheduled air carrier service between TVC and one or more commercial service airports.

**“Comprehensive Airport Fees”** – Terminal Rent (Exclusive as applicable and Common Use Areas), Safety and Security Charges, Airport Landing Fees, and Overnight Parking Fees. Passenger Facility Charges (PFCs) and fuel flow fees shall not be waived or otherwise abated by this Incentive Plan and policy.

**“Currently”** – means the time immediately prior to the adoption of this policy.

**“Existing Carrier”** – A marketing carrier Currently providing Commercial Service at TVC; or a New Carrier (see below) that has provided commercial service at TVC for a continuing period of one year or more, regardless of the date that service began.

**“Existing Non-Stop Route”** –TVC to ATL, BOS, ORD, DTW, MSP, DEN, DFW, LGA, EWR, PHL, SFB, AZA, PGD, PIE, IAD, DCA, IAH, HVN, FLL, or CLT.

**“Hub Service”** – The connection of commercial service at TVC by way of connection through an intermediate airport (“a Hub Airport”) which already exists. For example, and not by way of limitation, TVC to TPA via DTW would constitute a Hub Service. As of the date of this policy, the current hubs served to and from TVC include: ORD, DTW, MSP, DEN, LGA, ATL, IAD, PHL, DCA, DFW, CLT, BOS, IAH, FLL, and EWR.

**“Increase in Frequency”**– An addition of new scheduled service by a Carrier between TVC and an Existing Non-Stop Route that increases the number of scheduled flights to an Existing Non-Stop Route in at least three consecutive months of the year from the number of scheduled flights that were operated by the Carrier during the same three consecutive months of the year in the year immediately preceding the year in which the abatement is requested provided there is a significant net increase in seat capacity to the Existing Non-Stop Route.

**“Marketing Incentive”** – Airport funds directly paid to a marketing provider for advertising and promotion of a qualifying route or the Airport or paid by a Carrier for which the Carrier has submitted an invoice to the Airport for incentive-related marketing with supporting documentation demonstrating the program promotes the use of the Airport or the service that meets any Category of incentive in this plan.

**“New Carrier”** – A marketing carrier that provides Commercial Service at TVC and is not an

Existing Carrier operating at TVC as that term is defined.

**“New Non-Stop Route”** – A regularly scheduled air carrier route of a Carrier between TVC and another airport, which route is not Currently operated by that Carrier. A New Non-Stop Route does not include air service through a Hub Service as defined herein. Notwithstanding anything contained herein to the contrary, a route shall cease to be a New Non-Stop Route under the terms of this plan after it is operated by the Carrier for a period of two years.

**“New Seasonal Service”** – The addition of a Non-Stop Route by a Carrier not Currently served by that Carrier that is offered for less than seven (7) months of the calendar year.

**“New Service”** – means a New Non-Stop Route, a New Carrier, Increase in Frequency, or New Seasonal Service.

**“Non-Stop Route”** – means a regularly scheduled air carrier route of a Carrier between TVC and another airport. A Non-Stop Route does not include air service through a Hub Service as defined herein.

**“Notice”** – Posting on the Airport’s Website at <https://tvcairport.com/tvc-public-notice/> and emailing or other form of communication to Carriers and aeronautical users of the Airport including the incentives offered, the program eligibility criteria, and identification of New Service.

**“Operating Partner”** – The term representing the relationship between a regional air carrier and a national air carrier in which the regional air carrier is contractually authorized to represent to the public that it is affiliated with the national air carrier and has a coordinated ticketing arrangement for the air traveling public.

**“Rent and Safety Security Charges”** – Space Rent, Safety and Security Charges charged by the Airport pursuant to the Operating/Lease Agreement.

**“TVC”** – Cherry Capital Airport, Traverse City, Michigan.

### **I. Category 1 – New Carrier:**

The Airport will abate “Comprehensive Airport Fees” of a New Carrier for a period of one (1) year from the commencement of new Commercial Service at TVC by a New Carrier and will also provide a Marketing Incentive, subject to Airport discretion and the availability of funds in its marketing budget.

### **II. Category 2 – New Non-Stop Route:**

The Airport will abate “Comprehensive Airport Fees” as applicable relating to a New Non-Stop Route at TVC for a Carrier for a period of two (2) years from the commencement of service and will also provide a Marketing Incentive, subject to Airport discretion and the availability of funds in its marketing budget.

### **III. Category 3 – Increase in Frequency to an Existing Non-Stop Route:**

The Airport will abate “Comprehensive Airport Fees” as applicable relating to an Increase in Frequency by a Carrier to an Existing Non-Stop Route at TVC for a period of one (1) year provided

that an abatement has not been previously granted to the Carrier by the Airport for any Increase in Frequency to the Existing Route by the Carrier and will also provide a Marketing Incentive, subject to Airport discretion and the availability of funds in its marketing budget.

#### **IV. Category 4 – New Seasonal Service.**

The Airport will abate “Comprehensive Airport Fees” as applicable relating to New Seasonal Service for a period of three (3) consecutive seasons of service following the start of the New Seasonal Service provided that an abatement has not been previously granted to the Carrier by the Airport for the New Seasonal Service and will also provide a Marketing Incentive subject to Airport discretion and the availability of funds.

#### **VI. Program Requirements**

A Carrier seeking an abatement under this plan shall submit an application to the Airport on such form as required by the Airport and pay any fee established by resolution of the NRAA. The Airport reserves the right to terminate this plan at any time, at its discretion, upon notice to the carriers. However, New Carriers that execute an Operating/Lease Agreement with the Airport and commence service to/from TVC and Existing Carriers that establish New Non-Stop Routes prior to notification by the Airport that it has terminated this plan, will qualify for the abatement as set forth in this plan, for the remaining period of abatement approved by the Airport.

#### **VII. Other Provisions**

**A. Benefits Applicable for At Risk Airlines** – Notwithstanding anything contained herein to the contrary, airlines operating at the financial risk of other airlines shall not qualify for or receive benefits under this plan. At Risk Airlines are those airlines which operate pursuant to a guarantee by a code carrier, with all benefits otherwise payable to the operating airline payable to the code carrier that is “At Risk” for said operations. In such event, at TVC, the airline and the code carrier shall notify the Airport of such arrangement. In the event that an airline operates pursuant to a guarantee by an entity other than an airline, no benefits shall be granted under this plan. Operating at TVC at the risk of a third party shall not cause an airline from qualifying for Category 2 benefits, if, in the future, such airline operates a New Non-Stop Route at its own financial risk, but only on those routes flown at its financial risk. This restriction may be waived at the sole discretion of the Chief Executive Officer if in the best interest of the Airport, or if the guarantee is provided pursuant to a U.S. DOT Small Community Air Service Development Grant.

**B. Enplanement Information** – Airlines that wish to participate in this plan shall provide to the Airport, on a monthly basis, all enplanement figures at TVC. Enplanement figures should be broken down as applicable to distinguish between those associated with this plan and those that would be excluded. The Airport reserves the right to audit all information submitted.

**C. Not a Contract** – Notwithstanding anything contained herein to the contrary, this plan is not a contract, nor an amendment to the Operating/Lease Agreement. Rather, this plan is an incentive program designed to provide unilateral benefits to airlines to encourage additional enplanements and increase air service at TVC. Accordingly, although the Airport is, by publishing this plan, making a good faith effort to explain its intentions with respect to the terms and conditions of the plan, it is not obligated to any third party to implement this plan without further

action and approval by the Airport. The Airport reserves the right to determine, in its sole discretion, airlines which may qualify for abatements, rebates, and marketing funds under this plan and any amounts of said abatements, rebates, and marketing funds, all of which will be set forth in a written contract between the Airport and the selected Airline in order to establish a binding contractual commitment.

**D. Amendment** – This Air Service Incentive Plan amends and replaces all prior Air Service Marketing Incentive Plans previously adopted by the Airport and which have by their terms expired except to the extent that the Airport approved an abatement to a Carrier or New Service under a prior Air Service Incentive Plan prior to adoption of this Plan and in that case, the Plan under which the Airport approved an abatement shall remain in effect for the remaining period of abatement or as otherwise approved by the Airport Board for such New Service.

**E. Adoption Date** – This Amendment is adopted this 18<sup>th</sup> day of March 2025, following Notice published on \_\_\_\_\_, 2025 and amends and replaces the Commercial Air Service Incentive Plan adopted on March 12, 2024.