

**New Service Incentive Program
University of Illinois – Willard Airport**

University of Illinois – Willard Airport’s incentive program for new and expanded airline service is open to all carriers, regardless of service type, providing new, scheduled, eligible airline service to a destination without current non-stop flights. “Destination” is defined as any airport without current scheduled non-stop flights to and from University of Illinois – Willard Airport. Eligible airlines shall include all carriers operating under FAA Part 121, Part 135, or Part 380.

New service, operated by carriers qualifying under the scope of the incentive program, is eligible for the following specific incentives:

Fee Waivers

University of Illinois – Willard Airport offers all carriers a no-cost operating environment for the first two years of service on any new route without current service, or any route that has been dormant for a period of 12-months. This incentive includes a 100% waiver of all terminal rent, landing fees, jetbridge fees, per turn charges, and apron parking fees.

The fee-free period begins on the first day of service and continues for 730 consecutive calendar days. In the case of seasonal service, the fee-free period will cover the first two seasons of service. There is no minimum frequency required for an airline to qualify for fee waivers.

Start-Up Cost Offsets

University of Illinois – Willard Airport offers all carriers start-up cost offsets for the launch of any new route without current service, or any route that has been dormant for a period of 12-months. A carrier is eligible for up to \$10,000 in Airport-provided funding to prepare the facilities for the carrier’s new service. Items eligible for start-up cost offsets include computer equipment, ticketing desks, office equipment, and ground handling equipment for the aircraft used for eligible service.

The funds must be spent on items to provide service at University of Illinois – Willard Airport, and any items purchased with the funding must remain at University of Illinois – Willard Airport should flights on the route end before 730 days of service. The carrier will be reimbursed for items used to provide service at University of Illinois – Willard Airport upon providing direct accounting of the purchase and applicable receipts.

Marketing Support

University of Illinois – Willard Airport offers all carriers cash for marketing and advertising of service on any new route without current service, or any route that has been dormant for a period of 12-months. Marketing cash will be spent and placed by the Airport. All advertising must contain the name and brand of the Airport and specifically mention the new route. All advertising must be approved by the Airport before it is used in marketing to ensure compliance with Federal Aviation Administration (FAA) regulations.

University of Illinois – Willard Airport will provide \$100,000 in cash for marketing and advertising of service on any new route without current service, or any route that has been dormant for a period of 12-months. The Airport will also offer \$75,000 in cash for marketing and advertising in year two of service, for a total marketing incentive of \$175,000 over two years. Service must operate at least twice per week on the new route to be eligible for marketing support.

Total marketing cash available under this incentive program is limited to \$350,000. Once that amount has been allocated, the marketing portion of this incentive policy will expire.

Limited Minimum Revenue Guarantee (MRG) or Ground Handling Cost Offsets

The University of Illinois offers a first come, first served minimum revenue guarantee (MRG), or ground handling cost offsets, to be used at the discretion of the carrier. Any targeted nonstop service to an airport in Florida, Arizona, or to Las Vegas qualifies for the incentive. This is one-time funding. Once an airline has entered into an agreement for this funding, this portion of the incentive policy terminates.

An airline may choose between funding for an MRG, or funding to offset the cost of ground handling at Willard Airport. An airline may not use the funding for both incentives.

Under the MRG agreement, the University of Illinois and the airline will agree on a minimum revenue threshold that the airline is guaranteed to earn on the new route. If the airline fails to reach the revenue threshold, the University of Illinois will pay the difference between the guaranteed amount and the actual revenue earned by the airline, up to a maximum of \$500,000.

Under the ground handling offset agreement, the University of Illinois will either reimburse the ground handling provider for the actual, documented cost of ground handling for the first 416 turns at Willard Airport, or provide the ground handling to the airline directly, at no cost to the airline. The total amount of this incentive shall not exceed \$500,000.