

Airport Governance in U.S. Metro Regions: Institutional Models & Implications for Megaregional Transport

RESEARCH AGENDA

1. BACKGROUND

Market dynamics of air transportation are rapidly changing, with big implications for surface transportation in U.S. regions and megaregions.

Whereas proximity has traditionally driven air passengers' airport choice, allowing metro airports to attract the majority of passengers from the immediate region, today's airports compete fiercely with one another and draw passengers from far beyond their own regional borders, from wider megaregional geographies.

The phenomenon, known as airport market leakage, means that planning for air service itself, for ground transport access to airports, and for the economic development linked to airports increasingly must account for dynamics unfolding at the megaregional scale.

Limited examples of contemporary planning acknowledge both the growing megaregional dimensions of urban transportation and the changes to megaregional transportation brought by evolving airline industry dynamics and growing commuter sheds for airport access. It is unclear whether existing institutions for airport governance and metropolitan transportation planning can make these increasingly important connections at the megaregional scale and across the siloed domains for air travel, airport, and surface transport planning.

2. RESEARCH QUESTIONS

- (1) What governance models are present among airports? How do they work?
- (2) How do specific governance structures contribute to or hamper an airport's engagement in regional and megaregional transportation planning?
- (3) What formal and informal relationships exist between airports and metropolitan planning organizations (MPOs) responsible for surface transport? How do these parties share information or work together?
- (4) Among existing governance models for connecting airports and metropolitan planning organization members, which governance structures and arrangements are most effective?

3. RESEARCH METHODS

This project will first review the literature and engage field experts to assess the state of knowledge about key issues and challenges in megaregional transportation planning and contemporary airline industry dynamics.

Next, one or two regions or megaregions will be chosen for in-depth study. Case studies will observe, in a single geographic context, how and to what extent airport sponsors engage in regional and megaregional transport planning models.

4. CASE SELECTION & APPROACH

Case selection will be informed by the literature and consultations with airport governance and regional planning experts and will consider:

- the airport governance model(s) in place;
- the set of airport sponsors within a regional/megaregional airport system;
- the extent of airport market leakage occurring;
- the level of coordination (low or high) among airport sponsors themselves; and
- the formal and informal relationships among airport sponsors, MPOs, and other agencies and jurisdictions involved in regional and possibly megaregional planning.

5. PROJECT PLAN

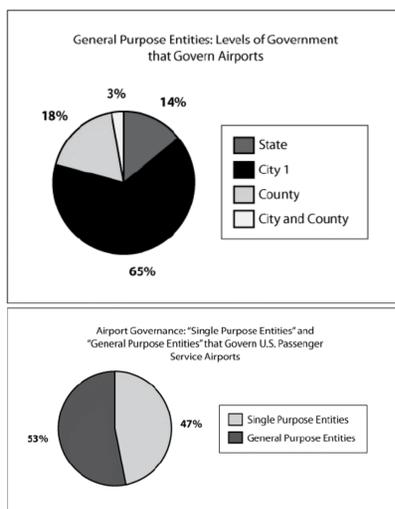
- Summer 2018: Preliminary data collection
- (1) document airport membership on MPO boards
 - (2) document MPO committees on air travel
- Fall 2018: Review recent literature & consult airport governance experts. Identify and select cases.
- Spring 2019: Case studies: Data collection and analysis.
- Summer 2019: Project report and paper.

CONTEXT

1. Governance models for U.S. airports are diverse.

U.S. airports are governed in a wide variety of ways. These include general purpose governments at federal, state, county, and municipal levels. Other models use more narrowly focused special- or single-purpose entities like airport or port authorities. The most common model is direct control of an airport by a municipality, followed by a state or locally created airport authority.

It is not clear that airport governance has been assessed explicitly from the perspective of megaregional challenges and concerns, like airport market leakage. Previous studies have examined the impact of individual governance models on airport performance but have been inconclusive (Reimer & Putnam, 2009).



Source: Reimer & Putnam (2000)

Categories of Airport Activities			
Airport Classifications		Hub Type: Percentage of Annual Passenger Boardings	Common Name
Commercial Service: Publicly owned airports that have at least 2,500 passenger boardings each calendar year and receive scheduled passenger service \$47102(7)	Primary: Have more than 10,000 passenger boardings each year \$47102(16)	Large: 1% or more	Large Hub
		Medium: At least 0.25%, but less than 1%	Medium Hub
		Small: At least 0.05%, but less than 0.25%	Small Hub
Nonprimary	Nonhub: More than 10,000, but less than 0.05%	Nonhub: At least 2,500 and no more than 10,000	Nonhub Primary
		Nonhub: At least 2,500 and no more than 10,000	Nonprimary Commercial Service
Nonprimary (Except Commercial Service)		Not Applicable	Reliever \$ (47102)(23) General Aviation (47102)(8)

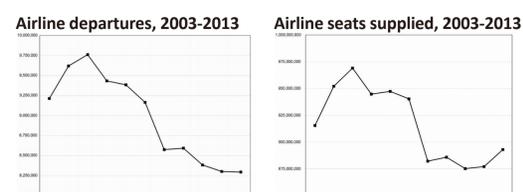
Source: Federal Aviation Administration (2018)

2. Airline industry adjustments have concentrated airport activity spatially, creating winners and losers.

Work by Fuellhart *et al.* (2016) suggests that airline mergers and the concentration of airline activity (measured as departures, passenger levels, and available seats) produced big gains in activity for regions like the northern plains and vacation areas of the southeast coast, but led to reduced airport activity in the Rust Belt and Intermountain West. Airport passengers increasingly may leak from smaller, less well served to larger, better served airports (Ryerson & Kim, 2018).



Source: Fuellhart et al (2016)



Source: Fuellhart et al (2016)

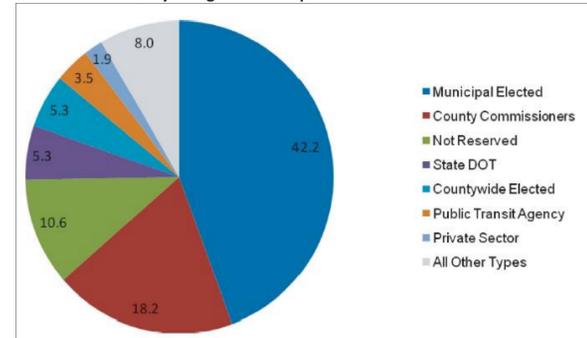
3. Metropolitan planning organizations (MPOs) responsible for regional transport planning may have few mechanisms for considering implications of changing airport activity for regional transport systems.

In general, MPOs do not have voting board seats for airport sponsors, and committees dedicated to regional airports or air travel are rare. Yet, where airports are city- or county-operated, city or county officials on the board may convey airport concerns.

Issue Specific Committees Used by MPOs

Type of Committee	Total	Percent of All MPOs
All respondents	133	—
Technical advisory	121	91
Bicycle and pedestrian	59	44
Citizens advisory	54	41
Transit	32	24
Transportation disadvantaged	29	22
Air quality	27	20
Congestion management	25	19
Land use	13	10
Freight	12	9
Corridor management	9	7
Water	8	6

MPO Board Seats by Designated Occupant



Source: Bond & Kramer (2010). Data reflect 133 of 385 MPOs responding to 2009 survey.

