ASE Modernization Bond Issue FAQs: August 2025

Why is bond funding needed for the airport?

First and foremost, *no new taxes or tax rate increases are associated with this project*. Following years of planning and voter approval in November 2024, the Airport Modernization Program is moving forward. While FAA grant funding may cover up to 90% of airside/runway costs, the project's centerpiece is a new passenger terminal which requires additional local funding without imposing any new tax or increasing any tax rate.

How much is the bond and how will it be repaid?

To facilitate the redevelopment of the airport and build a new passenger terminal, a ballot issue will need to be placed before the electorate at the November 4, 2025, election, asking for voter approval to issue debt. Specifically, this will be in the form of revenue bonds not to exceed $340 million. The bonds will be secured and repaid using Airport Fund revenues, namely fees and charges, as well as revenue from the Atlantic Aviation Fixed Base Operator 30-year lease. *There are no new taxes or tax rate increases associated with this project.*

How much will the project cost?

Total program cost is estimated at approximately $575 million. This planning level cost estimate will continue to be refined as the design of the project advances, but underscores the complexity and size of the airport redevelopment effort. Some project components are eligible for a considerable amount of FAA funding; for example, the runway project may receive up to 90% of the airfield project cost. *There will be no new taxes or tax rate increases associated with this project.*

How will the project impact airport fees and costs for public airport users?

The airport redevelopment project will require an increase in charges and fees for commercial airline operators, such as gate and landing fees, as well as increases in parking, rental car and other vendor lease fees. The estimated fee increases will be based on comparable market rates.

How does the Fixed Based Operator (FBO) contribute revenue to the Airport Fund?

In 2024, a 30-year lease agreement was signed with Atlantic Aviation as the airport's Fixed Base Operator (FBO). Revenues from this agreement are estimated to start at $20 million per year with revenue growth throughout the term of the lease. These funds which originate from both commercial and private aviation will contribute to the airport's ability to *secure and repay the bonds without any new taxes or tax rate increases*.

What is the project schedule?

The project schedule is structured in phases to minimize impacts to travelers, residents, and local businesses. In addition to a new terminal, the plan includes a redesigned airfield. *Design work will begin this year with the goal of limiting a full runway closure to a single construction season – currently scheduled to start in Spring 2027.* This accelerated schedule is ambitious and will require significant resource commitments to complete the runway reconstruction by the end of 2027.

How will construction phasing work for the new terminal?

The existing terminal could remain open while the new terminal and runway are under construction. This could allow for limited capacity for uses such as parking and rental car services during the runway construction and for passenger accommodation once the runway work is complete. *The new terminal is anticipated to be completed by 2029, at which time the existing terminal will be deconstructed*.

How can I learn more and get involved?

The ASE Modernization design phase will offer numerous opportunities for the traveling public and residents to learn about the process and share feedback, including public meetings, open houses and presentations. To support the Board of County Commissioners and Airport Advisory Board, two advisory task forces are being established – one focused on terminal design and the other on airport multi-modal connectivity.

To stay informed about the full range of community engagement opportunities, sign up for the ASE newsletter and learn more at: www.AspenAirport.com/Modernization.