

Order 2004-9-16  
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**UNITED STATES OF AMERICA  
DEPARTMENT OF TRANSPORTATION  
OFFICE OF THE SECRETARY  
WASHINGTON, D.C.**

Issued by the Department of Transportation  
on the 16<sup>th</sup> day of September, 2004

In the Matter of the

**SMALL COMMUNITY AIR SERVICE  
DEVELOPMENT PROGRAM**

under 49 U.S.C. 41743 *et seq.*

**DOCKET OST-2004-17343**

**ORDER DESIGNATING AIR SERVICE DEVELOPMENT ZONE**

**Summary**

By this order, the Department selects Waterloo, Iowa, for the FY 2004 Air Service Development Zone designation under 49 U.S.C. 41743(h). The Department will meet soon with the community to discuss its plans for developing a program to implement this designation.

**Background**

The Small Community Air Service Development Program (Small Community Program) was established to help small communities deal with issues related to insufficient air service and high airfares. In establishing this program, Congress recognized that small communities are faced with unique challenges that can affect their ability to secure and retain air service. Unique to this program is the flexibility it provides communities to participate directly in developing solutions to their air service issues and to partner with the Federal government in implementing their projects. Over the past two years, over 80 communities have benefited from the opportunities available under the Small Community Program. By Order 2004-8-30, the Department made 40 grant awards that will enable an additional 45 communities to partner with the Department to address their air services issues.

Consistent with the spirit and overall intent of this program, the statute also directs the Department to select one of the grant recipients "as an Air Service Development Zone

and [to] work with the community or consortium on means to attract business to the area surrounding the airport, to develop land use options for the area, and provide data, working with the Department of Commerce and other agencies.”

The selection of a single community as the Air Service Development Zone serves to highlight that community’s resources and commitment to the development of its aviation- and airport-related businesses, services and economic opportunities. Designation as an Air Service Development Zone provides an excellent opportunity for the selected community to work, in conjunction with its grant award, to stimulate economic development and increase use of the airport facilities. Importantly, the designation also creates a productive public-private partnership between the community and the Federal government to achieve these goals. To this end, the Department assists the designated community in devising its air service development plan and working, as needed, with other government agencies to implement those plans. This partnership, in turn, affords the Department greater insight into the needs and challenges faced by small communities in developing their air services and the ways that we can more effectively help small communities address those needs and challenges.

### **Air Service Development Zone Designation**

The Department’s Request for Proposals (RFP) (Order 2004-3-15) specifically directed grant applicants interested in this designation to identify that interest in their applications and to provide information that would support the community’s designation as the Air Service Development Zone. Of the 40 grant recipients selected this year, eight sought the available designation. However, only four--Waterloo; Sioux City, Iowa; Alpena, Michigan; and Dubois, Pennsylvania--provided the information required by the RFP.

After a review of these proposals, we have selected Waterloo, Iowa, as the FY 2004 Air Service Development Zone. The airport has 2,000 acres of commercial/industrial property available for development. The airport area is accessible from air, rail, and highway providing a multi-modal infrastructure to support greater economic development. The community, together with neighboring Cedar Falls, has established a diverse Air Service Development Task Force comprised of government and business members to maximize community involvement to address the region’s air service issues. For the past two years this task force has actively pursued solutions to the region’s declining air service issues and has succeeded through this public-private partnership to secure substantive enhancements to the available air service. The communities plan to continue these enhancements using Waterloo’s 2004 grant award. Within a 25-mile radius, the Waterloo Regional Airport serves a population of nearly 180,000, which would benefit from improved service and economic growth. We believe that these factors provide a solid foundation to support the developmental goals underlying the Air Service Development Zone designation opportunity.

The requests of the other three communities offered certain attractive features to support their proposals for the designation. However, on balance, Waterloo’s application provided the best combination of geographic, demographic, multimodal, and economic attributes for selection of the Air Service Development Zone designation. These

attributes will serve the community well in developing a plan and implementing this designation and we look forward to working with the community of Waterloo on its air service development efforts under the statute.

**ACCORDINGLY**, acting under authority delegated in 49 CFR 1.56a,

1. The Department designates Waterloo, Iowa, as the FY 2004 Air Service Development Zone; and
2. This order will be served on the legal sponsors for Waterloo, Iowa; Albany, Georgia; Pocatello, Idaho; Sioux City, Iowa; Alpena, Michigan; Dubois, Pennsylvania; Del Rio, Texas; and Logan, Utah.

By:

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(SEAL)