### **Capital Region Airport Authority**

# Air Carrier Incentive Program (ACIP) Guidelines

## May 19, 2025

### **Definitions**

Market: An origin-destination pair served by any air carrier. A market will not be considered "new" if there is existing scheduled service from Capital Region International Airport (LAN) to:

- the same market airport;
- any other commercial service airport located within a 50-mile driving distance of the market airport; or
- an airport serving the same Standard Metropolitan Statistical Area (SMSA) as defined by the United States Census Bureau.

#### **Summary**

The goal of Lansing's Air Carrier Incentive Program (ACIP) is to increase nonstop scheduled passenger service to high-demand markets and/or major domestic and international hub airports, and to demonstrate the strength of both business and leisure demand from the mid-Michigan Region. The ACIP is available to any commercial airline who does or will provide scheduled air service to and from LAN. Accordingly, these guidelines outline air service incentives available for three levels of air service: (1) airlines initiating new non-stop service to a market not currently served from LAN; (2) airlines offering a significant increase in capacity on pre-existing service to a market; and (3) airlines offering new seasonal service for less than seven (7) months of the year.

- 1. New non-stop service to a single market
  - Scheduled service of at least two (2) weekly departures to a single market not currently served by another airline from the airport
  - Aircraft having a capacity of at least 76 seats
  - Except for Passenger facility Charges, a waiver of airport fees (i.e., landing, apron, and per-turn fees)
  - Incentive available for up to twenty-four (24) months
  - Annual direct airline marketing support (no cash payment to airline) of up to \$125,000 per year
  - Other fees (i.e., ground handling, fueling, etc.) to be coordinated with ground handling company/FBO
- 2. Significant increase in capacity on pre-existing service by an incumbent carrier
  - Either (A) at least a thirty-three percent (33%) increase in frequency with a corresponding thirty-three percent (33%) increase in seat capacity, or (B) at least a thirty percent (30%) increase in seat capacity through the up-gauging of aircraft for at least twelve (12) months
  - Except for Passenger Facility Charges, a waiver of airport fees (i.e., landing, apron, and per-turn fees) in proportion to the increase in capacity
  - Incentive available for up to twelve (12) months
  - Direct airline marketing support (no cash payments to airline) of up to \$50,000
  - Other fees (i.e., ground handling, fueling, etc.) to be coordinated with ground handling company/FBO

- 3. Airlines offering new seasonal service for less than seven (7) months of the year
  - Scheduled service of at least two (2) weekly departures to a single market not currently served by another airline from the airport
  - Aircraft having a capacity of greater than 76 seats
  - Except for Passenger Facility Charges, a waiver of airport fees (i.e., landing, apron, and per-turn fees) for the new service
  - Incentive available for up to thirty-six (36) months
  - Annual direct airline marketing support (no cash payments to airline) of \$10,000 for each month of service (maximum of \$60,000 per year)
  - Other fees (i.e., ground handling, fueling, etc.) to be coordinated with ground handling company/FBO

Due to budget limitations, CRAA may prioritize incentives for carriers proposing service to major airline hub markets not currently served directly from Lansing.