

AGENDA ITEM SUMMARY

City Council



STAFF

John S. Kinney, Airport Director

SUBJECT

First Reading of Ordinance No. 189, 2025, Adopting the 2026 Budget and Appropriating the Fort Collins Share of the 2026 Fiscal Year Operating and Capital Improvement Funds for the Northern Colorado Regional Airport.

EXECUTIVE SUMMARY

The purpose of this item is to adopt the 2026 budget for the Northern Colorado Regional Airport and appropriate Fort Collins' share of the 2026 fiscal year operating and capital funds for the Airport. Under the Amended and Restated Intergovernmental Agreement for the Joint Operation of the Airport between Fort Collins and Loveland (the "IGA"), the Airport is operated as a joint venture with each City owning 50% of the assets and revenues and responsible for 50% of the operating and capital costs. The proposed budget does not include any financial contributions from the City's General Fund. Because each City has an ownership interest in 50% of the Airport revenues, each City must appropriate its 50% share of the annual operating and capital budget for the Airport under the IGA.

STAFF RECOMMENDATION

Staff recommends adoption of the Ordinance on First Reading.

BACKGROUND / DISCUSSION

In 1963, the City of Fort Collins and the City of Loveland agreed to the establishment of a regional aviation facility and became owners and operators of the Northern Colorado Regional Airport, located ten miles southeast of downtown Fort Collins, just west of Interstate 25. The Airport is operated as a joint venture between the City of Fort Collins and the City of Loveland, with each city retaining a 50% ownership interest, sharing equally in policymaking and management, and with each assuming responsibility for 50% of the capital and operating costs associated with the Airport. Airport governance and management is set forth in the IGA.

The Airport's mission is: Serving the region, we are a catalyst for innovation in all modes of transportation, a driving force for innovation in business and training, and a global gateway to a magnificent Colorado. According to a 2020 State of Colorado study, the Northern Colorado Airport provides a regional economic impact of approximately \$295.97 million annually and supports 1,072 area jobs.

All revenues derived from the Airport are applied to both operating and capital expenditures. Each City contributes equal funding, when necessary, for Airport operating and capital needs as defined in the IGA. External funding is also received through grants that are applied for and received by the Airport for eligible projects from the Federal Aviation Administration and the Colorado Department of Transportation Division of Aeronautics.

This Ordinance appropriates \$1,113,248, which is the City's 50% share of the 2026 Airport operating budget. That full amount of \$2,226,496 was approved by the Northern Colorado Regional Airport Commission in May 2025 and by the City of Loveland in October 2025. The Airport's operating budget is used to maintain and operate the facility in compliance with all regulatory standards for safety and security and to achieve goals set by the Northern Colorado Regional Airport Commission on behalf of the Cities.

The Airport's capital budget will be used to complete improvement projects, including the environmental analysis of a permanent air traffic control facility, and construction of the Runway 15-33 widening project to begin in the spring of 2026. Due to pending grant awards, which would change the amount of the Airport's capital budget, staff will prepare a separate supplemental appropriation in 2026 for the consideration of the City Councils to adjust the total appropriation to reflect the final amount of grant funds. The Airport's capital appropriation for 2025 for the runway project does not lapse until the project is completed or the funds have fully been spent.

CITY FINANCIAL IMPACTS

There is no direct impact on City of Fort Collins General finances. The Airport operating budget is supported through Airport revenues and capital projects are funded by a combination of Airport revenues and federal and state grants. regular commission meeting.

BOARD / COMMISSION / COMMITTEE RECOMMENDATION

The Northern Colorado Regional Airport Commission recommended adoption of the 2026 budget at their June 16, 2025, meeting. The City of Loveland passed the appropriated the other 50% of the Airport budget on October 21, 2025, by Ordinance No. 6759.

PUBLIC OUTREACH

The 2026 Airport budget was considered at the May 15, 2025, Airport Commission meeting and the October 7, 2025, and October 21, 2025, Loveland City Council Meetings.

ATTACHMENTS

1. Copy of Airport Commission Resolution R-9-2025
2. Ordinance No. 189, 2025