

ROUGHLY EDITED TRANSCRIPT

CITY OF EUGENE
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>> Mayor Knudson: Thank you, good evening, welcome to the November 10, 2025 Eugene work session. Thank you for joining us. Work sessions like this one there is no opportunity for public comment. Those wishing to access the meeting can do so by watching the livestream available on the website. The broadcast on Comcast channel or call into one of the phone numbers listed for the meeting on the public webcast and meetings materials page of the city of Eugene website. IN case of a medical emergency an automated defibrillator and AED is located on the counter by staff. In case of emergency evacuation, emergency exits through the double doors at the back of the room. And the doors to the patio can be used as needed. Thank you all again for joining us this evening. I now call the November 10, 2025 work session of the Eugene City Council to order. Agile turn it over to the city manager to introduce the first topic, work session on airport terminal renovation and expansion.

>> Medary: I want to thank Cathryn Stephens here, super grateful she's here. She is the airport director and we have huge TRex as a project. Cathryn talks about where we stand on project delivery, funding, next steps.

>> Stephens: Thank you for having me, Cathryn Stephens, the director at the Eugene airport. I will give you an update on TREX, receiving Federal funding, construction status, what the next steps will be. This will provide detailed financial analysis and the launch of the liftoff EUG feasibility study. That will be in a different Powerpoint we will transition to after this one. Since 2019, passenger numbers at EUG have increased 41%. This includes pulling approximately 14% of our local peace passengers back from driving north to mortgage land international airport. 29% of passengers are making that drive. With the terminal facility at EUG over capacity, this is unlikely to change until additional gates are added. Passes engine numbers have been flat and this is indicator of facility capacity constraints. This is an airport. Capital improvement program, several projects have been completed or under construction. For this presentation I will focus

on the projects utilizing Federal funding sources, thankfully we have been able to obtain after working through challenges with the new grant agreement language. This summer's asphalt rehabilitation is substantially complete. The project focused on rehabilitating the as fault apron, including 500,000 feet of terminal rehab and strengthening of the sub grade and key improvements to safety. This fall 34 drainage improvements, wetland mitigation project, drainage improvements with the addition of a pump station which you see there. .42 acres of wetland mitigation we cleaned out existing storm drains and things like that, 1.2 million with local share of 6.25% contributing the remainder. Concourse A expansion project will be starting this spring adding approximately 7,000 square feet to underutilized connector bridge as central shared space for concourse A gates. This expansion allows for construction of an ADA emergency exit lift and improving accessibility for all passengers and upgrades to existing restrooms, enhancing safety and overall passenger experience with added benefit of accommodating more passengers which means job creation and increased airport revenue. This project was postponed and revived with the re-establishment of Federal funding allocations, Federal dollars are approximately \$18 million with our local share of 6.25% making up the balance.

New possible funding sources, you have to have a silver lining, the delay allowed for the next connect Oregon grant process to come forward. We will be applying for that. Hopefully congressional directed spending as well. The design is substantially complete on the baggage expansion. This is design and construction of the building facilities to support a new fully in-line explosives detection system. We received 1.4 million, and the TSA will enter what's called an other transaction authority agreement, otherwise known as an OTA agreement, for allowable construction costs. New possible funding sources include an FAA program grant, connect Oregon grant, congressionally spending, and construction timeline dependent on the funding resources which may also need to include PFC backed bond funding. Concourse C expansion, last time I talked with you we had done all of the expansions to add gates to keep up with the current and future demand. Then we took a deep dive on the financials and got sticker shock. I wouldn't to show it to you, and talk about potential solutions in the future. Airport staff along with consult and specializing in airport finance and capital development identified nearly half of the needed funding for the EDU TREX. They are needed ahead of the concourse C buildout. Federal grants, passenger facility charges, airport revenue and bond funding backed by PFCs. Project on coastal cost, maximum amount of utilizing a 30 year bond at a total of more than \$208 million. That's what we know we can cover through traditional funding means and bond funding.

This section in the green shows a portion of the EUG TREX funding is not identified. This includes total of approximately \$240 million needed in addition to the \$208 that was already identified, has identified funding. Why the big price tag? Close to half a billion dollars. Construction costs in our region are extraordinarily high. With a total project cost quite daunting. Without the availability of additional bond funding capacity, work on the ticket counter expansion, the C concourse expansion and the bag claim expansion projects could not happen until another 30 years from now. Once that initial bond and

the orange section is expired. Waiting 30 years to build out C concourse is untenable for the airport as we're already over capacity. Passenger numbers are projected to more than double over the next 15 years. And without major facility expansion, that demand and most importantly the economic development that goes with that demand will go elsewhere. As a result, airport staff have been exploring nontraditional sources of funding, could include State and Federal grant funding, congressionally directed spending, public-private partnerships, naming rights, and benefactor funding. To further explore the options, airport staff are launching the lift off EUG feasibility study to gauge which of these options is viable.

I'd like to walk you through that presentation now which will be rolled out to community audiences later this week. Bear with me while I switch presentations. Gotta love the technology. I'll run through the presentation like we'll run through it for a bunch of community audiences. I'm Cathryn Stephens, airport director at Eugene, here to talk about the future of the Eugene airport. EUG is a major contributor to the local economy but impact could be greater. You all already know the convenience of the Eugene airport over driving to Portland, dealing with the traffic, the more expensive parking. Eugene is easy and accessible, a short walk from the parking lots, quick and friendly security, and you get home a lot faster after a long day of travel. The savings from competitive airfares, parking rates and no need to drive north and stay at a hotel. The airport serves a large region including a five-county area. 1.8 million passengers travel through the Eugene airport each year and 71% of the passengers in the local region choose to fly local, and there's an opportunity for almost 30% more to make that same choice to fly EUG. Let's talk about some of our current challenges. We reached airline gate capacity in May of 2021. PDX offers more direct flights and airline partners would like to add flights but the terminal is at capacity, making it difficult to add destinations.

The facility needs to grow to better serve the region, both residents and visitors. Considering all of the benefits, imagine if the airport was even better. Plans are under way to better serve our community in the near future and many years to come. First by expanding our current concourse A passenger waiting area, you heard is under way this spring. With the addition of the new C concourse and supporting infrastructure, we'll essentially double the size and the capacity at the EUG. This will allow for more commercial flights and better charter facilities for the ducks, beavers, and visiting athletics teams. We will also expand our parking and surface lots not shown on this slide. The planned expansion will accommodate more nonstop flights. This is the current cities served by nonstop routes at the Eugene airport. Here are just some of the nonstop routes possible with the terminal expansion. Atlanta, Orlando, Boston, Hawaii, these are the routes that are most in demand. I love to hear any routes you are interested in perhaps we can take a look at bringing those in as well. The greater capacity in our terminal facility will mean more nonstop flights to more destinations, dedicated charter facility, perfect for sports teams and special events.

And greater convenience for passengers. Now that you have seen potential nonstop destinations let's look at how flying out of EUG instead of driving to PDX has less

environmental impact. Right now, 29% of passengers in our region drive up to Portland to fly. That's nearly 250,000 trips to Portland each year. If an expanded Eugene airport can persuade those passengers to fly local, it will keep more than 450 cars off of I-5 each day driving to PDX, eliminating 12,500 miles from our roads daily, saving a net 5 metric tons of CO2 pollution a day or over 3,200 tons per year. Let's compare the Eugene airport growth forecast with and without the new additions. Number of passengers are projected to more than double over the next 15 years. Without an airport expansion, demand and the economic benefit that comes from that demand will go elsewhere. The nationwide, airport support 12.8 million jobs. Let's look at the Eugene airport impact on local jobs and the broader economy and how this proposal will impact that metric. Eugene airport currently supports more than 10,000 local jobs, directly and indirectly. Personal income, business revenue, and local purchases are all substantial. Million a year is generated in state and local tax revenues. EUG creates a regional economic impact of \$1.6 billion. With the expansion you can see the economic impact would be substantial. Jobs, personal income, business income, tax revenues more than double. Regional economic impact grows to 3.6 million. -- \$3.6 billion.

The bottom line, sooner we build C concourse, the sooner we can generate an additional \$2 billion in economic impact, totalling \$3.6 billion to the local economy a year. We've identified nearly half of the needed funding, however with traditional bonds, backed by passenger facility charges, we will have to wait for 30 years before being able to begin work on concourse C and supporting infrastructure. Waiting that long is really unacceptable. We are determined to find new and nontraditional funding sources. Spending 30 years waiting to build the C concourse, let's do it now and generate an additional \$60 billion in economic impact. Let's begin realizing the benefits now. Let's capture otherwise lost future income. And let's gain more jobs, more destinations, and better travel experience for everyone. We want to hear from you about how you experience EUG. Take this ten-minute survey, we'd like to hear from everyone who lives within our catchment area, feel free to share the survey with your staff, employees, friends, family. And there will be leave-behinds for these presentations as well. And then this also, the liftoff EUG.com website as more detail, are you welcome to look at that site as well. I am happy to answer any questions.

>> Thank.

>> Mayor Knudson: Thank you, I will open up the floor for Council discussion.

>> Thank you for this exciting presentation. My family and I use the airport frequently and we have watched it get increasingly congested and so I'm really happy to see that we're working on this from a number of different angles.

>> Groves: A question that I have, while we add more capacity, are we doing anything about the dropoff and pickup area out front? That's still, it's at capacity, it feels right now. It doesn't matter what the time of day is, it's always busy.

>> Stephens: Yes, it's part of the enabling project, in the orange section. I don't know the exact timing on that yet. Frankly we have had to slow things down a little bit, because we need to be able to capture our Federal funding in the bank before we can move forward with the project. But it is part of the enabling projects to realign that entry roadway, expand kind of reconfigure and expand where you pull in, the front curb and the second curb out there.

>> Groves: I'm glad to hear it, I think it's smart, make sure we have the money before we spend it. As far as the Federal funding goes, is there going to be strings attached to it, like we've seen with some of our other projects?

>> Stephens: We thankfully working with the office, we were able to work through a lot of those difficulties. We're still watching for court decisions. Wee more of a permanence in our favor but monitoring that. Until the court cases are completely -- have to be really smart how we're spending our Federal money, making sure there are reimbursements before we extend ourselves.

>> Groves: Great, that's something that concerns a lot of us. Get going on something and then having it stopped. I did want to make a comment, I've flown in and out of Eugene since the government shutdown. I want to give a shoutout to the Federal employees. I didn't see the air traffic controllers but we took off and landed safely. As far as TSA, working without a paycheck, they aren't high paying jobs to begin with. Everyone of those agents that we came in contact with had a smile on their face, very polite, helpful even cheery as some people went on vacation. I want to spend them, say how much I personally appreciate them hanging in there under very difficult circumstances where they're worried how they'll feed their families. With that, it's all I have in the first round. Super excited and look Ford to updates.

>> Stephens: Could I add, Mayor, I really appreciate your kind words for our Federal workers. We have been in constant communication with them, providing support. But their attitude is great.

>> Mayor Knudson: Counselor Evans?

>> Evans: Thank you for this presentation. Incredibly informative. Since the airport is in my ward I've been paying very close attention to the developments that have been going on and kind of what the future outlook is for our airport. A couple of things right off the top. Chicken and egg thing where we have, we have had an RFP out for a hotel for a number of years. I understand has not been responded to because people don't want to build hotels in the middle of nowhere. But we're not going to be the middle of nowhere for very long. And development on highway 99 and northwest Eugene is coming. Can you talk a little bit about that, and how our dollars going in to clear lake development are going to leverage development at the airport, that's one question. Question two, I keep seeing all of these adds for COOS bay and the other airports around. I know that Redmond has had a significant improvement in their airport facility.

Medford is growing. We have more flights coming into PDX and Sea-Tac. We're becoming a mini hub for the rest of the western United States. Future outlook with flights going to Boston, Atlanta, that kind of thing really improves our connectivity. If you can talk a little bit about that. Then I'll cut it and we'll look for a second round after that.

>> Mayor Knudson: Very good, thank you.

>> Stephens: Thank you for your questions. The hotel, we have a parcel that is set aside for a hotel. I'm trying to think of how many years we've worked on this now. I want to say it was back to 2010 that we have had three RFP processes. And no takers each time. Each time we went back, we had gotten feedback from potential hotel developers, tweaked those RFPs, put time out with time that had gone by. We were trying to hit when economic conditions were right. So now, really, we are at a place with three failed processes we've been trying to talk directly with hotel developers to see if there's anybody we can work with directly. Of course with the blessing of city leaders. As I've talked with these hotel developers, the tricky part is, this is actual airport owned land. Because it is airport owned land, even though we have the blessing from the FAA to use it as a hotel site we can still only do a land lease for 50 years max. I think this was back in 2010-ISH that it was approved a year lease. So I've been asking these developers, okay, if 30 years is not long enough can we do a 50-year lease. I'll go back to Council and say I need a 50-year lease. The answer I'm still getting is their return on investment is still too far apart, even with the 50-year lease. I don't think that's impossible to achieve, I think if we do find the right developer that wanted to do that I would come back and ask for oh 50 year lease for that development. But you are aware of our issues that we have had with the ground leases out there. In theory, what is supposed to happen at the end of the 50 years is that the improvement goes back to the airport. That has not been something that people wanted to have happen. We might to have look at a different models for that. The lease itself can only be 50 years then you have to enter into another new lease. Does that answer that part of the question, I hope?

>> Evans: Yes, that helps a lot.

>> Stephens: Then as far as, could you just restate your second question for me? Briefly.

>> Evans: Well, we recently secured, through the state, additional investment in our industrial area around clear lake road to invest in infrastructure for industrial development. We have other developments that are pending particularly the sports park and other things that will bring in more tourism dollars and more travelers. How are we expanding our economic development footprint in the area and be able to build the capacity that we need to create the kind of jobs and income that the community needs to grow and survive.

>> Stephens: Sure. I think this initiative, liftoff EUG initiative to find that additional

funding to build the facility that we really need as a community, one of the pieces to that puzzle, I would say you talked about it a couple, the other airports in the state. So they all have quite a lot of bond funding right now that -- that means debt service. We have not had debt service to pay at the airport since 2008. That's really unusual for an airport of our size to not have bond funding and then therefore debt service. In some ways that's great, we've been living within our means and doing a pay-go process. But in other ways, now we have hit a wall where we cannot build basically doubling the size of the facility that we have already shown through other studies that we need to. We do have to start looking at these other funding mechanisms. It will probably take bond funding. We know we need bond funding to get through the first orange section of projects. Then beyond that, we're going to have to get really creative how we'll build that C concourse, which is why I brought up things like public-private process, naming rights, and benefactor funding. When I talk about benefactor funding, I have a pie in the sky dream, like using the University of Oregon model, you have a group, benefactor or group of benefactors that say we're going to build this for you, we can build it faster, smarter, better, cheaper. Then we'll gift it back to you.

It is a little unusual for a government entity to be saying we'd like to look at benefactor funding. But we have had a team through Terrell group and Keri Westland doing this research looking at examples out across the United States, and while we haven't seen this exact model before, we have seen pieces of it. We have seen naming rights here, and we have seen effort in Provo where benefactors came together and funneled money into that airport facility. Palm springs has been very successful with their naming rights more recently. And public-private partnerships, mostly in large hub airport examples, but that doesn't preclude us from pursuing that as well. I think we need to kick the tires on all of this to see what will work. That's what this feasibility study is about. To see, okay, when we are -- our initial feedback that we got was positive, now we need to know are people, would people really put their money where their mouth is and support this effort.

>> Mayor Knudson: Counselor Zelenka is next, then councilor Keating who just joined us in person, and counselor Kashinsky.

>> Zelenka: I had a work situation went long, but I heard everything. Thank you for running the airport and ditto on the TSA work without pay among other Federal workers. I agree that the concourse expansion and the other projects would be, a great idea. The economic benefit environmental benefits are clear and substantial. And sad to hear that traditional funding half way, is probably going to take us 30 years to do which really means never. To be clear the airport gets no general fund right now. Not intending to get general fund. This isn't competing against all of the other general fund programs or any of the city programs, it's self-contained. Quite admirable for a facility that big. Great job on that as well. I want to go a step further, put you on the spot, and crystal ball a little bit more about the other sources of funding and their potential success. You described them, but is this pie in the sky or are there ways that we have seen other people do it, you had a couple of examples. Is it doable?

>> Stephens: I truly do. Maybe that's the pollyanna in me. But I think this is do an. One reason is, because we're taking all of the best ideas that we have picked out, out there that have worked and putting them all together and doing them together. Potentially. It is doable. Then I hold up that University of Oregon example, and really it is the other universities within the state as well but that's the one everybody is familiar with. Where there's been a great amount of capital investment in the university from private money. I look at the airport as an absolute direct extension of our universities, both University of Oregon and Oregon State University, which are both within our catchment area. Without the airport, their research is not -- the night campus couldn't function if they didn't have an airport here. Same with much of the research that's done up at Oregon state.

Obviously, the athletic teams are supported through the airport being there as well. Especially with the now being a part of the big 10, the airport has become even more important. We just got the Chicago route back, so that is really a big thing. And as you know, air service kind of comes and goes, it depends on the different pressures out there in the airline world. For a community of our size we have really good air service. I know we can have even better air service but we're so -- you saw that flat graph, we're just stuck. Airlines have done a great job utilizing the facility way beyond the capacity that I thought it would hold. Now instead of having the one peak period in the morning we have three peak periods during the day. Even some talk about bringing red eyes back. It is not for not utilizing our facility, as much as we can, it's just that we just can't cram anymore in there. It's not even a matter of people, it's airplane turns. I think it is possible. I think it is doable. That's what this study is all about. We want to look at all of those different ideas and take the pulse out there, and see who wants to join us.

>> Zelenka: When do you think you will have that study back?

>> Stephens: We will launch it tonight, and rolling it out on Thursday, city club of Eugene on Friday, then county commissioners asked to have the presentation. We will be getting in front of a bunch of different community groups. But the key is there's this survey, and then also individual meetings with this consulting team that we put together going out and talking to some folks who may have done this type of work with the university before. Maybe with the airport. Probably six months is reasonable.

>> Mayor Knudson: Counselor Keating.

>> Keating: Thanks, Mayor. Hi, Cathryn. I appreciate the public-private partnership energy. Do you see there could potentially be a Nike swoosh on the welcome to EUG?

>> Stephens: You said it.

>> Keating: I'm regift these to my mother-in-law and father-in-law who are big deadheads. These are cool. At the top of the conversation you talked about adjusting

to grant language, my words not yours, could you expand on what you had to adjust to?

>> Stephens: I'm going to keep an eye on Kathryn. There was grant language that came in the grants we needed to sign. This spring essentially, that included language that was against Oregon law, and it had to do with cooperation with I.C.E. So we were not able to sign our grants for a while, while the City Attorney's office worked through that. The city was able to join one of the lawsuits, and then preemptive relief that allowed for our attorney and the FAA attorney to agree to red line grant agreements that took that language out. That still left us in a bit of a precarious position because we're taking a grant now that we can take, but if that were -- if the objective relief were to go away or the ultimate outcome of the case were not to come through -- so we're already drawing down on two of the grants, the direction of staff has been to draw down as fast as you can. And our partners are completely onboard with that as well. And then just last week there was different ruling that was also would be in the favor of not allowing that language in our grant application.

>> Brotherton: The Federal government is appealing. We started with a temporary restraining order, we then got kind of the permanent injunctive relief that is on appeal. We continue to live in this uncertain world until we get a final decision. But joining the lawsuit for exactly this reason, which was the jumping-off point, this airport, these airport conditions and trying to get the Federal funding. So we've been pleased that we have had the success. But it is on appeal.

>> Keating: Thank you.

>> Stephens: If I can give a shoutout to staff and FAA partners. We have been on the roller coaster with this, and I appreciate the support from the City Attorney's office and manager's office as well. Everybody cross your fingers and toes that we'll get through this.

>> Keating: I appreciate the clarification. I appreciate your prompt attention to the matter around the secretary NOME video, and great many of us had constituents lighting us up, e-mail and on the phones, underscoring their displeasure, and we have articulated, I know other counselors have, our heartburn over that particular video being played at Eugene airport. Whereas other airports around the country were able to press pause. This was with a no-fly zone. I appreciate the signage and the clarification around the separation as I understand it, TSA or Federal ownership of said monitors. Can you expand on that in your decision making and reaching the point where you put up signage indicating the city of Eugene doesn't operate, doesn't run the video monitors run by the Federal government at our airport. Councilor. Councilors.

>> Stephens: Across the state airports were asked to show this video. The difference at Eugene we don't own the video screen inside the TSA checkpoint. That is leased area. I called the City Attorney's office and they agreed I can't control the TSA video screen at their checkpoint. We understood that people were upset. We handled that as best we

could, signage, put a notice on the website. I would just point out, because I feel like I should, it doesn't preclude any other airport at TSA checkpoint for them to put in their own monitor and show the video. If they own their own monitor they can, any airport, they can do that. It's the difference between an airport owned TV monitor TSA owned TV monitor.

>> Keating: Thank you, your response was a little more measured than my snarky "do we own a pair of scissors" or can we pull a plug. If I can end on a light note, I have been to the airport several times in the past two weeks with our four-legged friend, and we love the natural dog relief area without getting too graphic on the east side of the airport. Any opportunity with this new, with this proposed airport expansion for more natural relief or play areas for the puppies?

>> Stephens: The airport side or the public side?

>> Keating: On the public side.

>> Stephens: We will reconfigure these areas as these projects roll out but there will always, green space because we want it. For dogs, too.

>> Keating: With bags, too, thank you. I don't know if you asked Council as a whole or individual comments about round trips. There are to LAX, there are of course to Oakland and SFO. I don't think there are to Ontario airport. In southern California.

>> Stephens: It's on the list, a possibility.

>> Keating: Thank you.

>> Mayor Knudson: Councilor Kashinsky and Councilor Clark in round one.

>> Kashinsky: Thank you for the great investigation. Several questions have been answers. I did want to ask in the terminal study that was looking at the different work that needs to be done. Several different scenarios. You talked about the sticker shock and the numbers associated with those initial scenarios seem to be substantially less than what came out with the sort of refined alternative. Were there design changes or --

>> Stephen: When we did the financial analysis, costs went exponentially up. I want to answer your question a little bit more why that configuration was chosen. We have heard from some folks, why don't you just add on to the end. We can't. I don't want to get too technical there's a clearance to the taxiway that we can't violate. Adding on to the end just really can't be done. Even if we did a reconfiguration of the current gates, trying to bump out. The cost is actually more and you get less of what you need by remodelling the existing facility.

One thing to do what we do now with concourse A to bump out that section so the

people have a place to stand. But to try and reconfigure a wheel bunch and add another gate here or there wasn't going to get us where we need to be and more expensive. Because you are jamming more stuff into an old building that needs -- that's how we wound up with the C concourse configuration as another pier. We looked at multiple configurations as well. Aircraft clearances coming in, and efficiencies was the other reason why we wanted to do it as separate pier formation. So we didn't have aircraft potentially eventually coming in and waiting while another aircraft pulled out. You never want constraints in that way if at all possible. So what we have done since going back, we have started to look at, okay, can we only build part of concourse C instead of eight gates, maybe four at first then another four later. So I have anxiety around that for two reasons. One is only two years ago did we get the last jet bridge at gate A-1.

That was 30 years after concourse A was built. That's 30 years where we didn't have revenue from that gate because there was no jet bridge there. I don't want to see that scenario play out in a C concourse. If you only build four gates, then the math problem changes because then you aren't getting the revenue off the eight gates you only get the revenue off the four gates and still paying for most of the facility. So that's -- but we're looking at, we have asked our consultants to dig in there, if you only build four what is the math problem then.

>> Mayor Knudson: Councilor Clark.

>> Clark: Thank you, Mayor. Cathryn thank you for the presentation. I really appreciate all of your hard work and your leadership in trying to build the airport of the future for our community. It is really exciting to see the things that are planned and the things that you help to shape, and come to pass. It is my nature, so I'm going to wade into the dangerous ends of the pool here, and ask a potentially challenging question. As our airport grows, and as the services and the footprint and the number of partners we take on as it grows, more of that space out there is utilized, what do we envision is the appropriate role for civilian aviation as we move forward? And I may be using the wrong words. Private pilots locally who keep their planes --

>> Stephens: General aviation.

>> Clark: I'm not a pilot and I don't play one on TV. Locally based folks that have planes that want to be able to fly them out of the area. What is the appropriate role for that group folks in our airport's future?

>> Stephens: Great question. And if you go back to the master planning process, that was finalized in 2018, looked at the configuration. So our airport was initially across from runway airport with a big use. Then that went away, eventually crosswind went away and we did the two parallel runways. What it left us with is general aviation all over the place. Commercial plopped's in the middle. That's not the ideal configuration for an airport. As we work through the last master planning process, we looked at,

okay, we'll move general aviation to the north and then we're going to designate this is going to be our cargo and this is commercial, and this is general aviation. It will take decades, many, many decades to move it that direction. But that separation alone will be much better for both commercial users and general aviation users long term.

>> Clark: Do we anticipate a rise, increase in general aviation use?

>> Stephens: I think there will somebody. The trend line doesn't show that nationwide, it actually shows general aviation on the decline. It is expensive. It is expensive, not just for the equipment but also the training. There's always going to be some level of corporate general aviation at our airport. What we have seen is a decline in just aviation for fun because it is expensive.

>> Clark: And I'm asking for both of those reasons, for both the general aviation for fun and as aircraft gets smaller and perhaps more affordable in time, for people. And then as you look for creative fundraising into the future, there may be aspects of that that take place in this room as well.

>> Stephens: I guess my ultimate answer is of course there's room for all aviation at the airport other than a couple of specialized things like parachuting. No, that's not going to work at our airport. But in general, most general aviation, since you opened this door we can talk about electric aircraft, electric vertical and takeoff aircraft, all of that stuff is coming. Also in our master plan process we have started to think about where we are going to put all of that. Then also another piece of that is how do we get the electric capacity that we need for the future electric aircraft activity coming. So there's lots -- it's not that one group or another will be increasing or decreasing. It's just going to morph over time. That's one of the more exciting things that we see coming, electric aircraft.

>> Clark: Me too, thank you.

>> Mayor Knudson: We have a second round with Councilor Evans, Councilors Zelenka and Councilor Groves and I'll insert myself into the queue. I love if you can take us back to one of the most exciting and important pieces of information you shared, came by pretty quickly, this overview of the 1.6 billion in economic activity associated with the airport. Pushing out to \$3.6 billion with the planned expansion. As you talk about our airport as being our number one economic engine and the slide that walked through overview of I think employment, and I think jobs maybe related to construction and onsite, exactly, this slide. I'm curious if you can spend more time talking through each one of those points. I think for the public and also thinking about the prioritization of this kind of investment this slide is one of the most important.

>> Stephens: There we go. We had just done the economic impact study when this came out, we have done a bunch of studies. We wanted to understand this challenge. We can identify what we need but then we needed to look at the financial side of it, then also show people, why people should care. This is why people should care. This is the

economic health of our entire region. When I say region, our five-county region. Just looking at this slide you can see we have already got a big economic impact for our region. By doubling the size of our facility we essentially more than double the size of that economic impact. Just by the airport alone. Then if you think about, so remember we said this was direct and indirect. If you think about the multiplier effect, so all of the businesses that we've been supporting, there's an airport that has more routes, more capacity to handle 29% more passengers that are currently driving to Portland, all of those things play in to that economic impact.

>> Mayor Knudson: The local purchases in particular I would love if you can say a little bit more about the assumptions inside of that and personal income. Those changes are significant.

>> Stephens: They are. So that's job creation essentially. We double the size of our facilities we're not talking about just city of Eugene airport employees. We have 1,200 badge holders at the airport. And they are nearly every one of those are employed in an aviation capacity in some way. Either working for airline, ground handler, concession air, car rental and folks doing business out of their hangars. By doubling the size of the facility we're doubling the jobs, doubling that personal income, the revenues to businesses business on field and off field. That purchasing power where -- and the detail all in the economic impact study that is on our website as well.

>> Mayor Knudson: Thank you. Thank you also for pointing out that resource. My last two questions, I think -- well I'll say one, would be of those questions pretty straightforward. With many of our other regional airports already having bonds in place, can you just say a little bit about how that positions our opportunities differently. If there's a bond in place at other airports is the assumption those bonds are continuously renewed or they will be retiring and other nearby airports will have less capacity? How do we respond to that kind of competitive environment and assumptions.

>> Stephens: In Oregon the way our airports are situated we're really not in competition with each other. Really, Eugene is more in competition with Portland than really any of the other airports -- Medford, Redmond, north bend. I would say Redmond, also has some folks that drive to Portland. Medford not so much. North bend likes to us some. It's not really so much -- you have to kind of decouple the bond funding from that. That's not how we're competing with them. I think in some cases they have done a good job of gaining grant funding which we have as well. But they have enhanced that with bond funding. And we haven't. There are other examples where they are leveraged to the hit and I don't recommend that either.

>> Mayor Knudson: Councilor Evans, round two.

>> Evans: Thank you, Mayor. Cathryn, there are preliminary talks going on, some of our folks in the chamber and other places have gone on a research venture back to North Carolina to look at what is going on between the universities in that particular

corridor around Durham, and places like that. Duke, North Carolina, Wake Forest, are all developing connectivity in terms of the research piece. We have a 45-minute gap between University of Oregon and OSU. And a highway, highway 99, that connects both institutions more directly. Two things that come into mind. One, I've had this conversation with James at LTD, public transportation to the airport from this area, also looking at maybe a public transportation connection, thinking outside of the box now, between LTD and Corvallis-Albany transit that would link up the two to the Eugene airport. And also be able to create more traffic and more access. And economic development within that context. Where are you guys out in terms of looking at that horizon and what may be coming up over the next five to ten years to make some of that a reality.

>> Stephens: Councilor Evans do you still sit on the LTD board?

>> Evans: Seven years.

>> Stephens: I don't want to speak out of turn on that can I get back to you.

>> Evans: We're still having conversations with about a lot of that.

>> Stephens: Yes.

>> Mayor Knudson: Councilor Groves.

>> Groves: Thank you, Mayor. Couple of questions. One, I read an article a while back and I can't remember where I read it, talking about so many of our metro airports across the country kind of land locked, they can't expand anymore. And the FAA was going to start looking at that next tier of airport. I want to find out, I'm sure you are more plugged in than we are. But what are your thoughts on that and what is your understanding?

>> Stephens: That's definitely true, I don't remember the article reference either, I can give you examples. So first of all you have to thank our founding fathers, created the airport where it is now, and the members of the aviation board which is part of the chamber of commerce way back in the late '30s and early '40s gathered up all this land out there, 2,600 acres. Thankfully over the years the land management has been good and has kept housing from encroaching on that. We're in good shape out there. And we also have industrial land now adjacent. That was really smart planning. Kudos to our community for that. There are certainly large hub airports that are land locked and feeling those constraints. Portland is land locked. They have just sent a major beautiful renovation that they lost gates instead of gaining gates. Because there's not a place for them to put more. Seattle is in a similar circumstance, where they tried to squeeze in gates wherever they can but there's nowhere else to build on that land. I do think that we're going to start seeing secondary airports playing more of a role. Certainly with our passengers increasing 41% since 2019, then projected to expand by another 50% in a short timeframe. We definitely are going to be picking up more of that

slack. But we have to be able to do it. We have to have the facility to do it.

>> Groves: If this is something the FAA is considering, considering our airport is well positioned for growth and expansion that will help us locally but also the whole region. Is there any chance we could see more Federal money available to help us accomplish what they're wanting us to accomplish.

>> Stephens: I would say yes, but FAA doesn't have enough funding right now for what they're trying to accomplish. Essentially, we get our Federal funding and it is completely prioritized runways, taxiways and sometimes aprons. And I say that as usually like a remain overnight apron like we built a couple of years ago so we had additional parking places for aircraft. Commercial aircraft. So either Congress will need to fund the FAA at a higher amount so we can do more, have more funding, but there's only so much where we can be competitive. We saw this whole round of money that we took great advantage of through the pandemic, the CRISSA, CARES, and ARPA and we leveraged that funding. But then we saw the bill funding, and the infrastructure package. Those are competitive dollars we have been competitive with. But, again, still not enough funding. There are studies that I can point you to that show there's so much airport infrastructure across the country that is just not being funded. So we're all scrapping for those dollars.

>> Groves: Thank you for that. Another question I had, I realize everything we're talking about is commercial airlines, commercial transportation, and passengers. But where are we with air freight? I think that's going to be an important part of our future providing those opportunities as we try to attract good, responsible clean industry here.

>> Stephens: The great thing is we have the facility, we have a great air cargo facility. And we still have two cargo carriers that operate. There Alaska air stopped operating cargo out of that facility during the pandemic, they still handle a little bit from their ticket counter but not a lot. Most of it is getting trucked. That is the trend we have seen, more being trucked instead of being flown.

>> Groves: Is that because of the price of flight?

>> Stephens: I think it is the price of it and once you get some of those transportation lines established, then there's not really an incentive. But we have the facility and the land next to it, always intended to expand that facility. It's just a matter of thingament. When we talk about dulling the sides of the commercial airport to support other businesses in the region that can then also spur on additional cargo capacity and use.

>> Groves: In other airports, it seems like it can kinds be of a chicken and egg discussion. Do you build it and they will come, or does the market tell you need to build.

>> Stephens: I think we did build it and they will come. Got the facility, but I think especially once Alaska air stopped using that, it just -- it's just not come back from that.

>> Groves: Got it, thank you.

>> Mayor Knudson: Councilor Clark.

>> Clark: Thank you. Am I? There we go. That's well timed, my question takes right off from Councilor Groves' question. We hear about the port of Coos Bay being expanded. Long term are you planning for that level of air cargo capacity or do we have it or is the room there? When I suspect we will see certainly a great deal of freight expansion on rail. But I anticipate that the expansion of the capacity at Coos Bay's port would have an impact on our airport, yes?

>> Stephens: It's a little apples and oranges with the north bend airport. Because, well, they have kind of the port capacity, they have problematic air service because of their weather. We're the opposite. It's just a little different animal. And they have rail lines closer to their facility as well. It's a little disjointed. I'm having trouble trying to correlate that.

>> Clark: You don't think we will see a tremendous impact from their expansion at Coos Bay?

>> Stephens: No.

>> Clark thank you.

>> Mayor Knudson: Thank you. Any other questions from Council? Not seeing any, thank you very much for great conversation, great discussion with Council and a lot of information. It sounds like this will be rolling out to the community in conversations on Thursday at Eugene area chamber of commerce economic Summit and Friday at the economic center of Eugene. We will continue our discussions as well. Thank you very much.

>> Stephens: Thank you.

>> Mayor Knudson: With that I will close the November 10, 2025 City Council work session and we are adjourned.