

CHAPTER VI: A NETWORK OF COASTAL AIRPORTS

Airports in Rural America are struggling. National trends in aviation are mostly to blame. For the last decade the airline industry has been undergoing a period of consolidation following



airline deregulation and the additional security costs associated with 9-11. These trends have had a big impact on “commuter airlines” which are the carriers most likely to serve rural communities.

Coastal communities can work with airport managers, aviation enthusiasts, the private sector, and the State of Oregon to ensure coastal communities retain and improve the quality of their overnight mail air service and passenger service. Today, overnight mail delivery is critical for knowledge-based businesses operating in

today’s “just-in-time” global economy. Airports can be magnets for economic development in rural areas, especially in this increasingly time-sensitive business climate. Happily, most of the larger communities on the Oregon coast have overnight mail service. For some of the northern and central coast communities (including Newport) many overnight mail packages are still sent by truck to Portland International Airport (PDX) for reshipment to other destinations.

The business people on the Oregon coast interviewed on this page—especially on the North & Central Coast—say they have no problem driving to one of the major airports along the 1-5 corridor (PDX & Mahlon Sweet Field—Eugene’s airport). Clearly, though, if you are in a business that demands frequent air travel, and, if you or your company does not own its own aircraft, the Oregon coast may not be a place you can live and work.

There are a great variety of airports or airstrips on the Oregon coast (16 airports or airstrips). From north to south these facilities are:

- Astoria Regional Airport, Port of Astoria
- Seaside Municipal Airport, Seaside
- Nehalem Bay State Airport, Manzanita
- Tillamook Airport, Port of Tillamook Bay
- Pacific City Airport, Pacific City
- Siletz Bay State Airport, Gleneden Beach
- Newport Municipal Airport, Newport
- Toledo State Airport, Toledo
- Wakonda Beach State Airport, Waldport
- Florence Municipal Airport, Florence
- Lake Woahink Seaplane Base, Dunes City
- Lakeside State Airport, Lakeside
- North Bend Airport, North Bend (Coos Bay Area)
- Bandon State Airport, Bandon
- Gold Beach Municipal Airport, Gold Beach
- Brookings Airport, Brookings

Information about Oregon coastal airports, maps, and specifications about airport infrastructure can be found on the Oregon Aviation Department's web site at www.aviation.state.or.us.

North Bend Airport: Facility Improvements in the Works

The only "Commercial Airport" on the Oregon coast—meaning, they have commercial passenger air service—is the North Bend Airport in the Coos Bay area. The other airports on the Oregon coast are general aviation airports. The Board of the Coos County Airport District, which oversees the North Bend Airport, has known for quite some time that the passenger terminal at North Bend is too small to meet the growing needs of the "Bay Area" community. The Bandon Dunes golf courses complex located south of Coos Bay is driving large increases in air traffic to North Bend Airport. In August 2005, the Oregon Legislature committed \$10 million to build a new terminal at North Bend. The state of Oregon's investment in the new terminal matches significant federal investments in a new control tower and runway facilities at the North Bend airport.

Although the increase in air traffic at the North Bend Airport is driven primarily by people golfing at Bandon Dunes, the improvements to North Bend Airport constitute a boon for the entire South coast. An airport, of course, serves as a gateway to a region. It provides many visitors an important first impression. The challenge ahead for the North Bend Airport is to attract a second airline to offer competition for the incumbent airline. The new, enlarged terminal will make that possible. In addition, there is an industrial park associated with the North Bend airport that offers good settings for businesses to locate.

Newport Struggles to Attract and Maintain Passenger Air Service

The City of Newport's municipal airport has struggled to maintain passenger service. Some aviation experts believe Newport is too close to PDX to justify the cost of flying to PDX or Eugene to get connecting flights. Today, PDX is a 2.5 hours drive from the City of Newport if you avoid peak commuter traffic periods in the Metropolitan Area.

In Newport, the majority of overnight mail originating from Newport is trucked to PDX for subsequent outbound flights. However, given traffic projections for the Portland area in future years, congestion on and near the I-5 corridor will make package and passenger air service to the entire Oregon coast more viable. For Newport, the big question is "how soon?" Places like Newport may be on the cusp of supporting a regular air passenger service to PDX. Leaders in Newport have worked closely with Oregon's congressional delegation to secure the necessary improvements to make it passenger-service ready (for instance, the necessary instrumentation).



Astoria Regional Airport: Getting “Shovel Ready”

This important airport facility is operated by the Port of Astoria. Directly adjacent to the airport is a 45-acre industrial park with leasable land or build-to-suit options for light to medium industrial development or air freight distribution warehouse capacity. The airport has twice-daily United Parcel Service (UPS) air freight service and they advertise lease rates substantially below those of metropolitan areas.

According to the Port of Astoria’s web site, the Port of Astoria Commission has established a committee of Clatsop citizens to update the Airport Master Plan. The plan update will include an upgrade to the Airport Layout Plan (ALP). The ALP includes the physical components of the airport, such as approach and runway protection areas, land use, and terminal area plans. The plan is expected to be completed by the spring of 2006.

The expansion of Lektro, a manufacturer of electric aircraft towing tugs used in the aviation industry, is located at the Astoria Regional Airport. OECD provided funding for the addition of a water tank at the airport. This enhancement will provide the water volume required for fire suppression and it opens the door for development at the Airport Industrial Park. As a result, the site will now be included on Oregon state Governor Kulongoski’s “shovel ready” industrial site list, which will be available for potential developers.

State of Oregon Begins Major Dialogue on Rural Airports

Members of the Oregon Transportation Commission (OTC), rural development advocates (including several state legislators), and, the State of Oregon Aviation Board, are preparing to collaborate on a rural airport initiative. The effort—carried out under the auspices of the Oregon Aviation Commission—will gather airport experts and economic development people from around Oregon to discuss ways to stabilize and improve rural airports.

Oregon’s transportation system, at all levels, is moving in the direction of a seamless, multi-modal system. The “Connect Oregon” program, passed by the 2005 Oregon Legislature, will provide \$100 million in grants to help support multi-modal transportation infrastructure improvements at Oregon’s airports and other facilities.

If a compelling strategy to support rural airports in Oregon emerges from these discussions, additional financial support could flow to rural airports and the airlines serving those airports. The Oregon Aviation Department plans to survey what other rural states in the nation are doing to support rural airports. The state of Wyoming, for instance, has a rural airport program worth evaluating for implementation in Oregon. Also, states like Florida have strong state programs to support their airports. So, hopefully, all these trends will move in the same positive direction. Businesses growing and moving to the Oregon coast will generate additional demand for passenger service. The increase in demand is likely to be matched by additional investments in aviation facilities and services.

This strategic airport initiative will be getting off the ground at a time when the field of aviation is undergoing profound changes. There are reports, for instance, that next year

several companies will be selling smaller private or corporate jets for \$1 million per jet. At present, most smaller jets cost between \$15 million to \$25 million an aircraft. So, clearly, the opportunity for more people/companies to afford private jet service will increase exponentially. In addition, there are reports that a number of Oregon's airports could serve as the home port for private jets because of high tax rates for these jets and jet fuel in other states.

A Look to the Future

Having a fully functional system of air service to and from the Oregon coast will become a necessity in future years. Again, as Oregon grows and traffic congestion on the ground mounts, the movement of people and goods along the I-5 corridor will be slowed. At some point, air travel to the Oregon coast will become increasingly popular and quite viable. One can look at analogous coastal settings like Cape Cod, Massachusetts to see the future of air travel on the Oregon coast. Cape Cod has, for many years, supported two rural airports (Provincetown and Hyannis) and several commuter airlines. These commuter airlines enable residents and visitors to travel from the major urban areas of Boston and New York to Cape Cod. Many people do not think twice about taking these flights so they can leapfrog over summer traffic jams to make the most of their work and vacation time.