KTRK Hangar Rent Phase-In Plan

Truckee Tahoe
Airport District

Connected By
More Than A Runway

TRUCKEE
TAHOE
AIRPORT

Rent Study – Key Questions

1. Is the **methodology** acceptable?
2. Expand **pricing tiers** from 3 to 4?
3. Adjust rents to **market rate**?
4. **Time horizon** to phase in rent increases?
5. Increase **Fly Safe** discount; $75 to $90?
6. Future – Explore potential **CAM** cost recovery?
7. Future – Explore more accurate **CPI equivalent**?

Unique Markets: North Tahoe & Hangars

North Tahoe - Truckee

- **75%** above national average cost of living
- **$1.25M** median home price in 2025
- **50% +** second homes
- **Housing & labor** drive local cost

Hangar Demands

- Premium end of GA fleet has grown faster than any other segment
- Hangar shortages are chronic across the US (~ 70% of airports)

Over the past 2 decades upscale aircraft (Cirrus, Turboprop, Executive Jets) have increased by ~ 30% with a negligible increase new hangar availability – demand has far outpaced supply.

Airport Comparisons

Competitive (within 30 miles)

	Location/Airport	Median Home Price	COL Index	Similarity Score
1	**Truckee, CA (KTRK)**	**$1,250,000**	**175**	**100**
2	South Lake Tahoe (TLV)	$665,000	144	67.7
3	Reno, NV (KRNO)	$575,000	125	58.7
4	Carson City, NV (KCXP)	$515,000	120	54.9
5	Minden, NV (KMEV)	$535,000	118	55.1
6	Reno /Stead (KRTS)	$459,000	105	48.4

Airport's data included in rent study

Similarity Scores:
COL Index = 50% weight (Council for Community Economic Research)*
Median Home = 50% weight (Zillow)
90-100
70-89
<69

*COL Index: Housing Expenses, Transportation, Health Care, Good & Services, Grocery
*COL Index of 100 = national average, hence Truckee is 75% above national average

Comparison (similar attributes)

	Location/Airport	Median Home Price	COL Index	Similarity Score
1	**Truckee, CA (KTRK)**	**$1,250,000**	**175**	**100**
2	Monterey, CA (KMRY)	$1,250,000	170	98.6
3	Mammoth Lakes, CA (KMMH)	$1,300,000	180	96.6
4	Naples, FL (KAPF)	$1,200,000	170	96.6
5	Martha's Vineyard, MA (KMVY)	$1,100,000	165	91.1
6	Livermore, CA (KLVK)	$1,100,000	155	88.3
7	Sun Valley, ID (KSUN)	$1,500,000	185	87.1
8	San Jose, CA (KSJC)	$1,500,000	185	87.1
9	San Diego, CA (KMYF)	$950,000	160	83.7
10	Hayward, CA (KHWD)	$1,000,000	150	82.9
11	Steamboat Springs, CO (KSBS)	$1,600,000	190	81.7
12	Seattle, WA (KBFI)	$880,000	145	76.6
13	San Carlos, CA (KSQL)	$1,800,000	195	72.3
14	Vail/Eagle, CO (KEGE)	$1,800,000	195	72.3
15	Concord, CA (KCCR)	$800,000	140	72.0
16	Santa Monica, CA (KSMO)	$2,000,000	200	62.9
17	Sacramento, CA (KSAC)	$600,000	130	61.1
18	Telluride, CO (KTEX)	$2,100,000	200	58.9
19	Jackson Hole, WY (KJAC)	$2,400,000	205	45.4
20	Palo Alto, CA (KPAO)	$3,200,000	210	40.0
21	Aspen, CO (KASE)	$3,000,000	210	40.0

Snow is a Cost Driver

- #1 snowiest airport in the lower 48
- 104 total acres
  - 86 acres = 2-3 touches (runway/taxiway)
  - **18 acres** = **3-4 touches** (hangar rows)

- Hangar snow removal (labor only)
  - $10,000 per day
  - Winter 2022/3: $480,000
  - Winter 2024/5: $150,000
  - Winter 2025/6: $80,000

KTRK Snow Removal Area

Green highlighted areas are ~ 18 acres

Snow Removal Comparisons

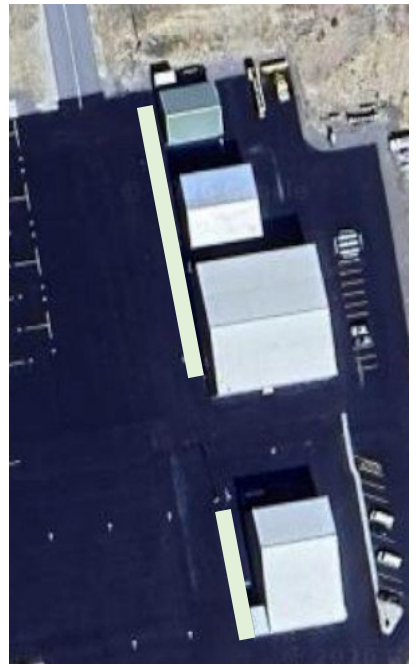
KMMH
Mammoth
205 inches
3 rows
3 acres

KTVL
South Lake
205 inches
5 rows
2.6 acres

KSUN
Sun Valley
170-180 inches
8 rows
4.5 acres

KASE
Aspen
170-180 inches
2 row
3 acres

KLXV
Leadville
142 inches
No rows
.4 acres



Hangar Waitlist

Type	Door	Inventory	On Waitlist	Percentage	~ Approx Wait Time in Years
Exec Hangars	> 55’	30	34	113%	8-10
Large-T	48-55’	11	4	36%	6-8
Medium-T	44-48’	57	26	46%*	4-6
Small-T	< 44’	131	34	26%	1

*69% of Medium-T waitlist are Cirrus

Note: 30 Cirrus hangered on airfield

Current Hangar Tenant Discounts

- Fly Safe discount is $75 – 52 received it in 2025
- No landing fees
- Fuel discount
- Free fuel delivery – both Jet-A & AvGas
- Free wash rack
- Park in circles during non-peak periods (no 3-day weekends)

Mead & Hunt Rent Recommendation

		Hangar Type	Example Aircraft	# Each	Door Size	Rent Increase %	New Rate	New Rent	Monthly Δ
1	1	Small-T	Cessna	131	<43	22.3%	$0.575	$677	$124
1	2	Medium-T	Cirrus	55	44	86.6%	$0.877	$1,079	$501
1	2	Large-T	TBM	11	48-49	86.6%	$0.877	$1,149	$533
2	3	Exec	Vision Jet	3	50-55	74.9%	$0.997	$2,991	$1,281
2	3	Exec	PC12	16	65	74.9%	$0.997	$4,028	$1,725
3	4	Super-Exec	PC24	10	65	21.6%	$1.001	$4,144	$737

Current Price Tiers

Recommended Price Tiers

Alternative Futures “what ifs”

Hangar Size:	Small	Med	Large	Exec
2020 AMCG rent study NOT adopted =	.419	.422	.442	.489
2025 THEORETICAL rents – uses 2020 AMCG rent study prices plus real CPIs sense then =	.510	.514	.538	.596
2025 RENT STUDY recommended rents =	.575	.877	.877	.997
2025 ACTUAL rents =	.470	.470	.470	.572
Delta: THEORETICAL from ACTUAL rents =	*-8.7%*	*-9.4%*	*-14.6%*	*-4.3%*
Delta: RENT STUDY from THEORETICAL rents =	*-12.3%*	*-68.9%*	*-61.3%*	*-65.6%*
Delta: ACTUAL & RENT STUDY Rents =	*-22.3%*	*-86.6%*	*-86.6%*	*-74.9%*

Regardless of any past decisions on rents, this table demonstrates that relying solely on the Western Region CPI will always lag the North Tahoe/Truckee economy.

Time Horizon Rent Scenarios

1-year increase

2029		
new rent	monthly Δ	effective rate
$677	$124	**22.3%**
$1,079	$501	**86.6%**
$1,149	$533	**86.6%**
$2,991	$1,281	**74.9%**
$4,028	$1,725	**74.9%**
$4,144	$737	**21.6%**

2-year increase

2026			2027		
new rent	monthly Δ	effective rate	new rent	monthly Δ	effective rate
$615	$62	**11.2%**	$695	$80	**12.9%**
$828	$250	**43.3%**	$1,103	$274	**33.1%**
$882	$267	**43.3%**	$1,174	$292	**33.1%**
$2,351	$641	**37.5%**	$3,059	$709	**30.1%**
$3,165	$863	**37.5%**	$4,120	$954	**30.1%**
$3,776	$368	**10.8%**	$4,254	$478	**12.7%**

Time Horizon Rent Scenarios

3-year increase

2026			2027			2028		
new rent	monthly Δ	effective rate	new rent	monthly Δ	effective rate	new rent	monthly Δ	effective rate
$594	$41	**6.9%**	$653	$58	**9.0%**	$713	$60	**8.4%**
$745	$167	**22.4%**	$933	$188	**20.2%**	$1,127	$194	**17.2%**
$793	$178	**22.4%**	$994	$201	**20.2%**	$1,201	$207	**17.2%**
$2,137	$427	**20.0%**	$2,626	$489	**18.6%**	$3,129	$503	**16.1%**
$2,878	$575	**20.0%**	$3,536	$658	**18.6%**	$4,214	$678	**16.1%**
$3,653	$246	**6.7%**	$4,004	$352	**8.8%**	$4,366	$362	**8.3%**

4-year increase

2026			2027			2028			2029		
new rent	monthly Δ	effective rate	new rent	monthly Δ	effective rate	new rent	monthly Δ	effective rate	new rent	monthly Δ	effective rate
$584	$31	**5.3%**	$632	$48	**7.6%**	$681	$49	**7.2%**	$732	$51	**6.9%**
$703	$125	**17.8%**	$849	$146	**17.1%**	$999	$150	**15.0%**	$1,153	$154	**13.4%**
$749	$133	**17.8%**	$904	$155	**17.1%**	$1,064	$160	**15.0%**	$1,228	$164	**13.4%**
$2,030	$320	**15.8%**	$2,409	$379	**15.7%**	$2,799	$390	**13.9%**	$3,201	$401	**12.5%**
$2,734	$431	**15.8%**	$3,245	$511	**15.7%**	$3,770	$525	**13.9%**	$4,311	$541	**12.5%**
$3,591	$184	**5.1%**	$3,880	$288	**7.4%**	$4,177	$297	**7.1%**	$4,298	$121	**2.8%**

Gross Rent Scenarios 2026 to 2029

Scenarios	Gross Rents '26 to '29	Δ '26 to 29
CPI only*	9,650,193	$0
4 year	12,086,194	$2,436,001
3 year	12,664,721	$3,014,528
2 year	13,231,769	$3,581,576
1 year	13,809,675	$4,159,482

***Assumes 2.9% CPI annually – used with all scenarios**

Staff Recommendation

Action:

- 3-year gradual rent increase
- Add new pricing tier of: "Medium-Large T"
- Increase Fly Safe discount from $75 to $90

Explore:

- Potential to charge CAM in future
- Alternatives to CPI to account for TRK micro-economics

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CPI only	9,650,193	Baseline
4 year	12,086,194	**$2,436,001**
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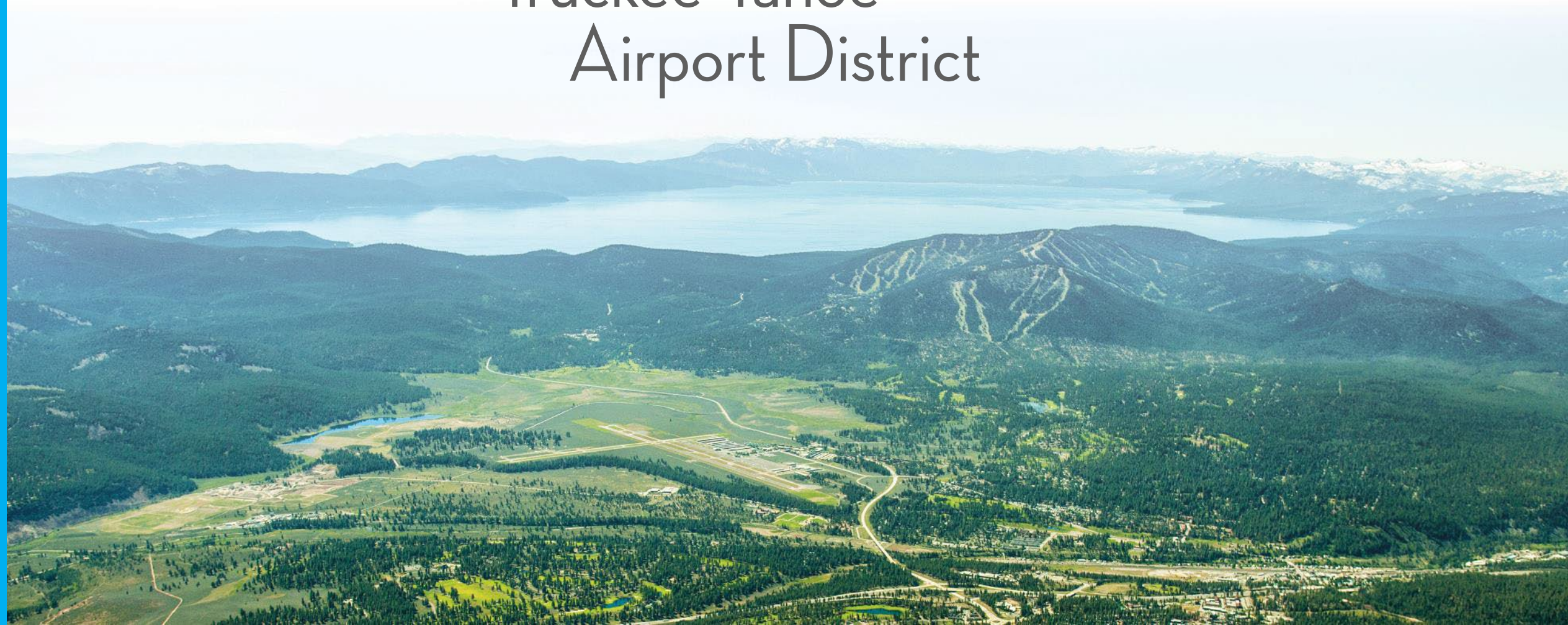
TRUCKEE TAHOE AIRPORT

SUSTAINABLE AVIATION FUEL

Truckee Tahoe Airport District



Rough Snapshot of “Premium” GA Fleet Growth since 2020

Segment	2020*	Latest*	Change
U.S. active aircraft (all GA + Part 135)	204,138	213,756 (2024)	+4.7%
U.S. active turbojets	15,316	16,835 (2024)	+9.9%
U.S. active turboprops	10,317	11,924 (2024)	+15.6%
U.S. active single-engine turboprops	5,292	7,164 (2024)	+35.4%
Cirrus total deliveries	420	797 (2025)	+89.8%
Cirrus SR-series deliveries	347	691 (2025)	+99.1%
Cirrus Vision Jet deliveries	73	106 (2025)	+45.2%

**derived from multiple sources, data is not verified, but closely matches GA industry narratives*

Top-10 Snowiest Airports in Contiguous US

Rank	Airport	Annual Snow (in)	Avg Snow Ratio	Snow Type	Est. SWE (in water)
1	**TRK – Truckee Tahoe**	**206**	**10:1**	Sierra maritime (wet/dense)	**20.6**
2	**MMH – Mammoth Yosemite**	**205**	**10:1**	Sierra maritime (wet/dense)	**20.5**
3	**TVL – Lake Tahoe**	**200**	**10:1**	Sierra maritime (wet/dense)	**20.0**
4	**SUN – Friedman Memorial (Sun Valley)**	**170–180**	**12:1**	Mountain continental/mixed	**14.2–15.0**
5	**ASE – Aspen–Pitkin County**	**170–180**	**12:1**	High alpine continental	**14.2–15.0**
6	**CMX – Houghton County Memorial**	**215**	**18:1**	Lake Effect	**12.0**
7	**LXV – Leadville Lake County**	**143**	**12.5:1**	High alpine continental	**11.4**
8	**TEX – Telluride Regional**	**130–135**	**12.5:1**	High alpine continental	**10.4–10.8**
9	**HDN – Yampa Valley (Steamboat)**	**119–132**	**14.5:1**	Cold continental (drier)	**8.2–9.1**
10	**EGE – Eagle County Regional (Vail)**	**110**	**13:1**	Cold continental alpine	**8.5**

KTRK has the largest snow load in the contiguous US

Snow Removal Operations

Scope
- 104 acres total
- 18 acres are the hangar rows (~17%)

Removal
- Runways & Taxiways: 2 passes
  → Plow/Grader → Blower
- Hangar Rows: 3 passes
  → Grader → Loader → Blower

Timing (12” snowfall)
- Day 1: Runways & taxiways
- Day 2: Hangar rows (sometimes longer)

Cost (Labor Only)
- ~$10,000 per day in labor only
- Winter 2022/3: $480,000
- Winter 2024/5: $150,000
- Winter 2025/6: $80,000 (and counting)

Context
- CAM at airports is rare
- KTRK has highest snow load in US
- KTRK has more hangars than all Top-10 airports