



ASIP6

AIR SERVICE INCENTIVE PROGRAM

MIAMI INTERNATIONAL AIRPORT



INTRODUCTION:

The Miami-Dade Aviation Department (MDAD), operator of Miami International Airport (MIA), is pleased to offer **ASIP6**, the latest and most dynamic of its air service incentive programs. The MIA **ASIP6** complements the strategies and objectives of the airport's air service development efforts while encouraging incumbent carriers at MIA to consider expansion and new market development.

MIA OBJECTIVES:

- Stimulate domestic and international passenger air service at MIA
- Stimulate international freighter service to MIA
- Increase non-aeronautical revenues at MIA
- Reduce costs per enplaned passenger at MIA

ASIP6 PROGRAM COMPONENTS:

The MIA **ASIP6** offers four separate programs:

- **Program A** - For domestic passenger route development and added frequencies from any US and Canadian city/ market.
- **Program B** - For new international routes presently not served from MIA and for international routes from secondary airports from an international destination that is presently served from MIA.
- **Program C** - For new international passenger carriers serving any international destination from MIA.
- **Program D** - For new international all-cargo routes presently not served from MIA.

The MIA **ASIP6** is a five year program effective: **December 1, 2018**. **ASIP6** officially replaces the previous MIA incentive program and all offerings as contained within **ASIP5**.

PROGRAM A DOMESTIC PASSENGER AIR SERVICE

LANDING FEE ABATEMENT INCENTIVE: Any air carrier establishing scheduled, year-round passenger service to any U.S. or Canadian destination (city) from MIA will qualify for 100% abatement of landing fees on the new service, for a 24 month Promotional Period.

The service must be operated for 12 consecutive months and will then qualify for an additional 12 consecutive month period for a total of 24 months of benefit. Each 12 month period of service will be evaluated for compliance under the terms of the program. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.

The incentive is available for any domestic U.S. or Canadian city pair regardless of present service levels to and from MIA by the applicant carrier or another carrier on that specific route.

PROGRAM B NEW INTERNATIONAL PASSENGER MARKETS

LANDING FEE ABATEMENT INCENTIVE: Any air carrier establishing scheduled, year-round passenger service to an international destination (city and/or airport) not currently served from MIA by any carrier, will qualify for 100% abatement of

landing fees on the qualifying service, for a 24 month Promotional Period. Any secondary airports within the same destination will be deemed a new international route and will qualify for the incentive. For example, a carrier commencing London-Gatwick service will qualify for the incentive even though MIA is already served from London-Heathrow.

The service must be operated for 12 consecutive months and will then qualify for an additional 12 consecutive month period for a total of 24 months of benefit. Each 12 month period of service will be evaluated for compliance under the terms of the program. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.

Following service commencement, and continuing for a 24 month period thereafter, any additional frequencies added to the new passenger route will qualify for the 100% incentive for a full 24 month term effective upon the date the additional frequencies commence.

If an air carrier begins a service with a frequency of three times per week, and subsequently adds a fourth or any additional frequencies, the latter would qualify for a full 24 month incentive from the date(s) of commencement. The service must be operated for 12 consecutive months and will then qualify for an additional 12 consecutive month period for a total of 24 months of benefit. Each 12 month period of service will be evaluated for compliance under the terms of the program. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.

MARKETING SUPPORT INCENTIVE: Any carrier establishing scheduled, year-round passenger service to an international destination (city and/or airport) not currently served from MIA by any carrier, will also be offered the opportunity to participate in a matching funds advertising campaign to assist in promoting the new route. The Miami-Dade Aviation Department (MDAD) will offer the carrier up to \$200,000 per year, for two separate years, to be matched with an equal amount from the carrier to establish a mutually agreed upon advertising campaign. The carrier must initiate and maintain a minimum of 3 weekly flights to qualify and receive this incentive.

*The new service associated with the Marketing Support Incentive must operate for 12 consecutive months, and will then qualify for the second-year advertising funds allocation with MDAD. **There will be no direct reimbursements to the carrier.** Reimbursements will only be made through direct payments to agreed-upon media or advertising sources, and only via MIA's standard invoice and payment processes for such services. The collaborative advertising campaign provided under this incentive will begin at commencement of the qualifying new route and will conclude at the end of the 12 month benefit period. The second-year campaign will commence at the onset of that service period and may continue through the full second year of service commitment. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.*

During year one and year two, the carrier is required to operate the frequencies provided in the application of the incentive program. At any time during the benefit period, should frequencies be reduced, the Marketing Support Incentive funds provided by MDAD will be prorated according to original versus remaining frequency levels.

There will be no additional Marketing Support Incentive funds offered for any frequency increases during the 24 month benefit period and thereafter. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.

OFF-PEAK ARRIVAL TIME INCENTIVE: A carrier choosing to arrive at MIA during designated off-peak hours at the Central or South Terminals at MIA will also receive an additional \$100,000 per year, for two separate years, to be matched with an equal amount from the carrier to establish a mutually agreed upon advertising campaign. The carrier must initiate and maintain a minimum of 3 weekly flights to qualify and receive this incentive.

*The new service associated with the Marketing Support Incentive must operate for 12 consecutive months, and will then qualify for the second-year advertising funds allocation with MDAD. **There will be no direct reimbursements to the carrier.** Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.*

Arrival times for qualification for this additional benefit are:

- Central Terminal – Concourse E - Commencing 0400 to 1200 hours daily
- Central Terminal – Concourse F - Commencing 0400 to 1330 hours daily
- South Terminal – Commencing 2300 to 0400 hours and from 0900 to 1300 hours daily

PROGRAM C NEW INTERNATIONAL PASSENGER CARRIERS

LANDING FEE ABATEMENT INCENTIVE: A new international passenger carrier establishing scheduled, year-round passenger service to any international destination (city and / or airport), will qualify for 100% abatement of landing fees on the qualifying service, for a 12 month Promotional Period.

The service must be operated for 12 consecutive months. The incentive is available for any international city pair regardless of present service levels to and from MIA. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.

Following service commencement, and continuing for a 24 month period thereafter, any additional frequencies added by the new international passenger carrier will qualify for the 100% incentive for a full 12 month term effective upon the date the additional frequencies commence.

If an air carrier begins a service with a frequency of three times per week, and subsequently adds a fourth or any additional frequencies, the latter would qualify for a full 12 month incentive from the date(s) of commencement. The service must be operated for 12 consecutive months. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.

MARKETING SUPPORT INCENTIVE: A new international passenger carrier establishing scheduled, year-round passenger service to any international destination (city and/or airport), will also be offered the opportunity to participate in a matching funds advertising campaign to assist in promoting the new route. The Miami-Dade Aviation Department (MDAD) will offer the carrier up to \$200,000, within the 12 month benefit period, to be matched with an equal amount from the carrier to establish a mutually agreed upon advertising campaign.

*The new service associated with the Marketing Support Incentive must operate for 12 consecutive months. **There will be no direct reimbursements to the carrier.** Reimbursements will only be made through direct payments to agreed-upon media or advertising sources, and only via MIA's standard invoice and payment processes for such services. The collaborative advertising campaign provided under this incentive will begin at commencement of the qualifying new route and will conclude at the end of the 12 month benefit period. There will be no additional Marketing Support Incentive funds offered for any frequency increases during the 12 month benefit period and thereafter. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.*

OFF-PEAK ARRIVAL TIME INCENTIVE: A carrier choosing to arrive at MIA during designated off-peak hours at the Central or South Terminals at MIA will also receive an additional \$100,000, to be matched with an equal amount from the carrier to establish a mutually agreed upon advertising campaign.

*The new service associated with the Marketing Support Incentive must operate for 12 consecutive months. **There will be no direct reimbursements to the carrier.** Additional conditions listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.*

Arrival times for qualification for this additional benefit are:

- Central Terminal – Concourse E - Commencing 0400 to 1200 hours daily
- Central Terminal – Concourse F - Commencing 0400 to 1330 hours daily
- South Terminal – Commencing 2300 to 0400 hours and from 0900 to 1300 hours daily

PROGRAM D NEW INTERNATIONAL ALL-CARGO MARKETS

LANDING FEE INCENTIVE: Any carrier establishing scheduled, year-round cargo freighter service on a cargo route not currently served by an all-cargo freighter to MIA will qualify for a 100% abatement of landing fees for a 24 month Promotional Period.

The service must be operated for 12 consecutive months and will then qualify for an additional 12 consecutive month period for a total of 24 months of benefit. Each 12 month period of service will be evaluated for compliance under the terms of the program. Originating flight numbers and aircraft (same-plane service) must remain the same between the originating city and Miami during the entire 12 month period. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.

Following service commencement, and continuing for a 24 month period thereafter, any additional frequencies added to the new cargo route will qualify for the 100% incentive for a full 24 month term effective upon the date the additional frequencies commence. If an air carrier begins a service with a frequency of three times per week, and subsequently adds a fourth or any additional frequencies, the latter would qualify for a full 24 month incentive from the date(s) of commencement.

The service must be operated for 12 consecutive months and will then qualify for an additional 12 consecutive month period for a total of 24 months of benefit. Each 12 month period of service will be

evaluated for compliance under the terms of the program. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.

MARKETING SUPPORT INCENTIVE: Any carrier establishing scheduled year-round freighter service on a cargo route not currently served by an all-cargo freighter to MIA will also be offered the opportunity to participate in a matching funds advertising campaign to assist in promoting the new route within the first 12 month benefit period. The Miami-Dade Aviation Department (MDAD) will offer a carrier operating 1 to 3 weekly flights up to \$50,000, to be matched with an equal amount from the carrier to establish a mutually agreed upon advertising campaign, while a carrier operating 4 to 7 weekly flights will be offered up to \$100,000 in matching funds.

There will be no direct reimbursements to the carrier. Reimbursements will only be made through direct payments to agreed-upon media or advertising sources, and only via MIA's standard invoice and payment processes for such services. The collaborative advertising campaign provided under this incentive will begin at commencement of the qualifying new route and will conclude at the end of the first 12 month benefit period. There will be no additional Marketing Support Incentive funds offered for any frequency increases during the 24 month benefit period and thereafter. Additional conditions are listed under AIRLINE COMMITMENTS AND RESPONSIBILITIES.

FUNDING FOR THE ASIP6 PROGRAM:

To mitigate any adverse effects to landing fees paid by other MIA air carriers, MDAD will fund the **ASIP6** through the airport's *Retainage Sub-account Improvement Fund* to offset the landing fees waived. Total incentive program funding will be capped at \$3 million within each year, based on a first-come, first-served basis, until each annual cap is exhausted.

AIRLINE COMMITMENTS AND RESPONSIBILITIES:

Airlines participating in the **ASIP6** program will commit to the following:

- Operate the qualifying passenger or cargo flight(s) throughout the Promotional Period. An air carrier that voluntarily suspends or terminates such service before the end of the Promotional Period will be required to pay any discounts received under **ASIP6**. To meet this **ASIP6** term requirement, an air carrier will not be permitted to substitute one qualifying flight for another. Further, a carrier which qualifies and receives benefits from any incentive package within **ASIP6** and then discontinues that service either during or after the benefit period, may not reapply for any incentive benefit on that route in the future should the same carrier choose to reestablish service to that city/destination again.
- Provide MDAD with a U.S. bank drawn irrevocable letter of credit, company check or bank wire transfer for the total estimated amount of landing fees to be abated for each qualifying flight during the Promotional Period and, file the financial guarantee with MDAD at least 30 days prior to the commencement of service.
 - Financial guarantees not submitted and approved by the MDAD Finance Division on time will defer benefit commencement to the day of approval of the financial instrument, not the day of service initiation.

- Offer service resulting in a net increase in the air carrier's total number of flights from MIA to the city pair, as compared to the same month of the previous year. The air carrier must maintain such a net increase during the Promotional Period and may not discontinue a non-qualifying service (flight) to initiate a qualifying service (flight) to the same city pair. *For example, an air carrier that discontinues a non-qualifying flight to LaGuardia Airport in New York does not qualify for **ASIP6** with a new flight to JFK or Newark International Airports. The air carrier may however, change the number of frequencies, and the type and series of an aircraft operating a qualifying service.*
- **IMPORTANT: An airline participating in **ASIP6** must report any changes to the number of frequencies, aircraft type and/or series at least thirty (30) days in advance of any changes during the entire Promotional Period.**

AIRLINE COMPLIANCE:

MDAD will conduct an **ASIP6** Review Committee audit of the air carrier's compliance with the terms of the program on a monthly basis during the entire promotional period.

DURATION OF AIR SERVICE INCENTIVE PROGRAM:

Except as stated below, the **ASIP6** duration is five (5) years from the effective date. After this five-year period, MDAD will evaluate the program and may announce any future incentive programs. Airlines considering participation may commence at any time during the program's five-year duration. Once an air service application qualifies under the **ASIP6**, it is assured the benefit during the entire Promotional Period, even if the time span extends beyond the program's duration. MDAD reserves the right to discontinue the **ASIP6** entirely, or substitute a new program during the five year period of offer, which will not affect any airline already participating in **ASIP6**.

APPLICATION PROCESS:

Air carriers seeking to participate in **ASIP6** should complete the Air Service Incentive Program application. **Applications must be submitted forty-five (45) days prior to commencement of the qualifying air service or within forty-five (45) days of service commencement.** The carrier will be advised in writing upon approval of the incentives.

SUBMIT APPLICATIONS ELECTRONICALLY TO:
marketing@miami-airport.com

OR VIA FAX TO:
305-876-7398

OR HAND-DELIVER TO:
Miami-Dade Aviation Department
Marketing Division
Miami International Airport
5600 NW 36th Street, Suite 515
Miami, Florida

305-876-7862
(For courier service delivery,
use 33122 as the zip code to the above address)

**ALL SUBMITTALS ARE SUBJECT TO AUDIT
BY MIAMI-DADE COUNTY**



MIAMI-DADE AVIATION DEPARTMENT — MARKETING DIVISION
T 305.876.7862 • F 305.876.7398 • marketing@miami-airport.com

miami-airport.com iflymia

AIRLINE:

ADDRESS:

CITY / STATE / ZIP CODE / COUNTRY:

CONTACT PERSON NAME / TITLE:

PHONE:

FAX:

EMAIL:

ORIGIN OF ASIP FLIGHT:

CHECK ALL APPLICABLE: YEAR ROUND PASSENGER FREIGHTER

Effective Date	Aircraft Type & Series	Arrival Flight #	MIA Arrival Time	Days of Operation (1 thru 7)

AIRLINES ARE REQUIRED TO REPORT ANY CHANGES OF AIRCRAFT TYPE AND/OR SERIES AT LEAST 30 DAYS IN ADVANCE DURING THE INCENTIVE PERIOD. CONTACT THE MDAD MARKETING DIVISION AT 305-876-7862 FOR NOTIFICATION.

FOR MDAD USE ONLY

EVALUATED BY: _____ DATE: _____

COMMENTS: _____

PROGRAM A PROGRAM B PROGRAM C PROGRAM D

APPROVED NOT APPROVED

SIGNED BY: _____ DATE: _____

Aviation Director / Deputy Aviation Director