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NAPITA Applauds Unanimous Arizona Supreme Court Decision in Sky Harbor Fee Challenge

Court Upholds Ground Transportation Fees Implemented Following Comprehensive Benchmarking Study

PHOENIX, AZ, April 6, 2020 – Today, the Near Airport Parking Industry Trade Association (NAPITA), an association of national parking operators dedicated to providing dependable and affordable travel options that improve the customer experience at major American airports, issued a statement applauding the Arizona Supreme Court's 7-0 ruling in *State of Arizona v. City of Phoenix* (case number CV-20-0019).

The decision upholds the fee structure resulting from the multi-year study to rebase fees charged by Sky Harbor for commercial ground transportation access to the airport curb. The fees, which were then ratified by the Phoenix City Council in December 2019 and stayed pending today's decision, based fees on frequency of curb access for more than 700 permitted ground transportation operators with the goal of reducing curb congestion, improving air quality, and sufficiently covering the costs associated with operating the ground transportation program and maintaining ground transportation infrastructure at Sky Harbor.

Jeff Foland, CEO of The Parking Spot and Chairman of the NAPITA Board, said, "Ground transportation operators are vital partners to the aviation industry, and commercial operators engaging in activity on airport property should be willing to pay their fair share to maintain and support world class infrastructure, safety, and efficiency at our airports. However, ground transportation providers are often left out of planning and policy discussions surrounding air travel, resulting in arbitrary access fees for some operators or none at all for others. We can't afford to be left out of conversations related to airport planning. Sky Harbor recognized that during the benchmarking study which we appreciate."

"The Sky Harbor Airport Advisory Board's benchmarking study, which actively engaged with and called on the expertise of ground transportation stakeholders to collectively and diligently address the challenges facing the airport curb, is the gold standard. Although NAPITA members will also face an increase in fees to access the airport curb, the process was done with transparency and fairness by basing fees on utilization. We applaud the Arizona Supreme Court's unanimous decision to uphold the good work of the Sky Harbor Staff, the Advisory Board and these fair fees. Our industry is certainly facing challenging times right now, as most are, given the COVID-19 pandemic. We can't afford to be left out—Sky Harbor recognized that during the benchmarking study which we

appreciate. Our sincere hope is that this lengthy, costly court battle highlights the critical need for the federal government to recognize our near airport industry as an important piece of the economy and the airport ecosystem.”

Background:

Late last year, the Phoenix City Council approved the recommendations of the Phoenix Airport Advisory Board following the conclusion of a comprehensive, industry-inclusive, multi-year benchmarking study looking at ground transportation fees for access to Phoenix Sky Harbor. The rebased fees assessed on ground transportation operators to help offset the cost of ground transportation on airport infrastructure and are indexed to accurately reflect curb utilization at the airport. The enacted fees were challenged on the basis that they violated the 2018-enacted Protect Arizona Taxpayers Act, known as Proposition 126, and were subsequently referred to the State’s Supreme Court by the Arizona Attorney General. Oral arguments were scheduled to be heard on March 26, 2020.

NAPITA supported the process and the results of the benchmarking study and believes it should be a model country-wide for a federal stakeholder working group. This federal working group would provide the venue necessary to understand and address the issues facing the airport curb, leveraging the expertise of our membership, the federal government, and airport operators to craft transportation policy that best serves the traveling public.

NAPITA is not one company looking out for merely its best economic interests—it is an industry representing more than 12,000 employees and millions of customers who depend on ground transportation and world-class airport facilities to work, travel, and live. Each year, the industry sees approximately 25 million parking visits nationwide. NAPITA’s mission is to partner with airports and other stakeholders in the aviation industry to ensure safe, efficient, and equitable access to their airport curb for off-airport parking operators and to increase the role ground transportation plays in the broader air travel industry and the overall experience for air travelers.

NAPITA will continue to advocate for the industry and the vital role it plays within the broader air travel industry.

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