# <u>City of Keene</u> New Hampshire

# AIRPORT DEVELOPMENT AND MARKETING COMMITTEE MEETING MINUTES

Tuesday, April 25, 2023

9:00 AM

Terminal Building, Dillant Hopkins Airport

#### **Members Present:**

Elizabeth Bendel, Vice Chair Councilor Mitch Greenwald George S. Hansel, Mayor Richard Blood Alona Florenz Peter Temple Bill Hutwelker Luca Paris

## **Staff Present:**

David Hickling, Airport Manager/Chair Rebecca Landry, Assistant City Manager/ Marketing and Communications Director

## **Members Not Present:**

Brian Johnson Kristopher Radder Nathan Jacobs Curt Hansen Elizabeth Dragon, City Manager – Ex Officio

#### 1) Call to Order

Chair Hickling called the meeting to order at 9:00 AM.

# 2) Adopt February Meeting Minutes

Mayor Hansel made a motion to accept the minutes of the February 28, 2023 meeting. Mr. Blood seconded the motion. The motion passed unanimously.

# 3) <u>LoopNet Real Estate Listing</u>

Chair Hickling followed up on the discussion during the last meeting about listing airport development opportunities. He reported that Bill Hutwelker walked him through the process of listing a property on LoopNet. He listed one available airport parcel, with a photo and a link to the land use development study, but the listing did not show up when he did a search for properties on the site. He is working on addressing this. Once he does, he will list the other available parcels for development.

Councilor Greenwald said he thinks the City has a realtor of record. Rebecca Landry, Assistant City Manager and Marketing and Communications Director, responded that she believes the City did, but the contract might have expired. The realtor helped create a simple and more efficient process for the City. Chair Hickling asked if they have to work with a realtor. Ms. Landry said she would work with him to get more information.

# 4) <u>Hangar Development Trends</u>

Chair Hickling reported that he attended a conference in the past couple months that included a presentation about hangar development trends. He showed slides from the presentation. He highlighted some points from the presentation. Demand for general aviation aircraft keeps going up. There are some supply chain issues that are causing a backup in delivering aircraft. Most of the demand is for piston engines, but there is also demand for turbines, and Cirrus is struggling to keep up with more than 1,000 orders over the next two years. New business jet deliveries in 2023 are expected to be 17% higher than 2022. Demand for flying is increasing. Most of the demand is for long range general aviation.

Demand for hangar space is coming, but there are challenges to meeting the demand. One challenge is the high cost of building a hangar. It might help to offer incentives. With what it costs to develop a hangar, lease rates should be about \$1,700 per month, depending on site conditions and other infrastructure conditions, which is not reasonable. Putting down asphalt is particularly costly. Chair Hickling noted that only a couple parcels at the airport are on pavement.

Mayor Hansel asked why the hard costs for building are so high. Chair Hickling responded that the figures are national figures, not specific to Keene. He reiterated that hangar lease rates are not keeping up with development costs. There is a substantial discrepancy. Dense markets are pushing aircraft to outlying airports. Corporate hangars can absorb increased costs, but light general aviation hangars cannot. There is a shortage of T-hangars in Keene. Without incentives, the costs are too high.

## 5) Airport Development Marketing Consultant

Following up on the last meeting, Chair Hickling reported that he looked into getting a consultant to help develop a marketing plan. He did not find any consultants that do marketing plans for the aviation industry, but he found a couple companies that specialize in marketing as a for broker to the aviation industry. He shared portions of one of the two proposals he received. The company would first do a market feasibility study, some of which he thinks would be valuable. The company would look at market economics and demographics, including a market overview, local attributes, comparable airport market attributes, and the area business and industry. The company would do a SWOT-type analysis. It would look at the airport, as well as competitor airports that target similar markets, analyze historic trends and forecasts, analyze hangar supply and demand, do a master plan overview, and analyze target markets. The company would also do a commercial

supply and demand analysis. The company identified businesses the Committee has discussed, like maintenance, repair, and overhaul (MRO), aeronautical manufacturing, emergency support and government, vertical lift and advanced air mobility vehicles, and aircraft charter management. The company would also look at comparable airport statistics and tenants. The company would summarize the best opportunities for the airport and recommend next steps.

Ms. Landry noted the company's work would not result in a marketing plan but would offer many pieces of a plan. She suggested the Committee talk to the folks she just worked with on a marketing/branding plan for the City. They work with other municipalities with airports, including by consulting with needed additional experts. The Committee should at least get their feedback.

Mayor Hansel noted the Committee needs some direction. Chair Hickling stated the market feasibility study would be phase one, and then the consultant would broker the parcels. The company would get a percentage of lease payments if a tenant is procured. The company would design marketing brochures, market the parcels to their LinkedIn network, as well as on its own website, target regional markets, promote the parcels with local and regional aviation business associations and the National Business Aviation Association (NBAA), and list the parcels on APN.aero, sort of a LoopNet for the aviation industry. Vice Chair Bendel stated that she has not heard of APN.aero. She asked whether they can access APN.aero without a consultant or broker.

Chair Hickling expressed support for using a consultant to conduct a market feasibility study, even though it would cost \$15,000-\$20,000. It would mean someone would just take the ball and run. Ms. Landry asked whether the company has any clients in the area. Chair Hickling responded that he thinks there are some in Connecticut and Massachusetts. He noted this information is preliminary, and he plans to do more research. Hiring a consultant would likely require City Council action. Mr. Temple said there is a business case for hiring a consultant, given the potential development opportunities. Chair Hickling wondered if Swanzey would share the cost of a consultant, since it would receive the increased tax revenue from development at the airport. Councilor Greenwald questioned whether the City had the expertise, resources, or bandwidth to do all the marketing in house. Ms. Landry noted it is not unusual for the City to bring in specialists to do a study or something and then have staff run with their recommendations. She thinks it is a good idea for them to bring in experts. Councilor Greenwald said they have been talking for 20 years and need to just get this done.

Ms. Florenz recommended checking references. She noted it would be worth the money if they get the right consultant. Chair Hickling said that he met with two companies; there are not a lot of options available. One of the companies almost exclusively works with aviation commercial development. He will look for more options, but he noted he was unable to find a consultant to only do a marketing plan. Ms. Landry stated that it could be done in consultation with the experts.

## 6) Airport Development Website

Chair Hickling reported that the site is not up yet. He still wants to include a list of available incentives. He needs to connect with Will Schoefmann.

Chair Hickling suggested creating a display about the airport's history, as well as about current activities there, for the library to display for a month or two. The library has displays from time to time. He indicated Mr. Temple is interested in the project. He will ask for volunteers for the project when he distributes the minutes for this meeting.

Ms. Landry clarified that Chair Hickling needs to connect with Mr. Schoefmann on GIS content for the website.

Chair Hickling further reported that Asah [Cramer, A/V Production Specialist,] is working on a series of videos that show each of the City's departments. She has already talked with Vice Chair Bendel. She is doing a series of videos that show various businesses and other users of the airport, including hopefully C&S, as well as Mama McDonough's, Choppers, and EAA [Experimental Aircraft Association]. He anticipates there will six to eight videos total. Maybe a video will be released each month.

Mr. Temple announced that EAA is having a general aviation awareness event on May 20. EAA teaches people about flying. It operates the Young Eagles program. There are chapters all over the country that introduce children to flying. Chair Hickling noted that Ms. Cramer will be working on the EAA video at the event. He will send the Committee details about the event.

Mr. Temple stated that he has anecdotal evidence of long wait times for T-hangars in New Hampshire and Massachusetts. He wondered if more information about how long the wait times are for T-hangars, as well as whether and when airports plan to build more, is available. He asked if airport managers in New Hampshire meet on occasion and share this information. Chair Hickling responded that they do meet, and he can ask about the information at their next meeting. He noted, though, that when a related survey about T-hangars was sent out, the response rate was very low. Chair Hickling is unaware of any new T-hangars being built in the area.

Mr. Temple asked about kit hangars. He noted, however, that the cost of asphalt is likely the bigger issue. He wondered whether building costs are higher in Keene because of FAA regulations. Chair Hickling said the regulations are not applicable to the T-hangars, but building costs are still high.

#### 7) Adjournment

There being no further business, Chair Hickling adjourned the meeting at 9:31 AM.

Respectfully submitted by, Wendy Chen, Minute Taker Reviewed and edited by, David Hickling, Airport Director