

City of Keene
New Hampshire

AIRPORT DEVELOPMENT AND MARKETING COMMITTEE
MEETING MINUTES

Tuesday, June 26, 2018

9:00 AM

Dillant Hopkins Airport Terminal

Members Present:

Curt Hansen, Chair
Beth Bendel, Vice Chair
Peter Delaney (Arrived Late)
Joe Bendzinski
Bill Hutwelker

Members Not Present:

Councilor Mitch Greenwald
Rod Thompson (Resigned)
Nathan Jacobs

Staff Present:

Elizabeth Dragon, City Manager
Jack Wozmak, Airport Manager
Medard Kopczynski, Economic Development
Director
Rebecca Landry, Assistant City Manager/IT
Director
Mike Moriarty, Airport Operations Manager

1) Call to Order

Chair Hansen called the meeting to order at 9:06 AM and led introductions.

2) Approval of Minutes – May 22, 2018

Mr. Bendzinski made a motion to accept the minutes of May 22, 2018, which was seconded by Ms. Bendel.

Mr. Hutwelker clarified, on page three/item f: he did not state he was attending a meeting with them, but that Steve Bittle would report to the Board of Selectmen in Swanze. He added that he got a lot of feedback from the public on these minutes.

The motion to accept the minutes of May 22, 2018 as amended carried unanimously.

3) Guest – Michael Bergeron, Senior Business Development Manager, State of NH

- a. **Overview of the role of the ADMC, progress at the airport, and focus for the future**

Discussion Goal: the Committee wants to understand better how the state economic development office might interact with the airport. Understand how the state can be involved as we reach out to identify potential businesses to attract to this region. How the Committee can leverage the work Mr. Bergeron's office is already doing. The Committee

also wants to brief overview of how an ERZ works (one has been established for Keene and we proposed that Swanzey adopt one for the airport.

Mr. Wozmak noted Mr. Bergeron was invited to discuss how to align airport and state marketing and economic development efforts. He has reached out to many companies in recent years with the help of staff like Ms. Landry (airport website). He summarized current airport efforts: significant increase in landing fees, building projects (hangars), rebuilding runway two, and installing new lights and weather equipment. He recalled that Keene has the third longest runway in the state and is a community ready for economic development; we want to mobilize outreach and bring companies to the state and this region.

The City Manager thanked Mr. Bergeron and his colleague Molly Kayler for traveling to be at this meeting. She noted this is a new Committee; when she arrived in Keene eight months ago there was an operational Airport Advisory Committee, which was not focused on marketing. In her early conversations with Mr. Wozmak, she realized he needed more help marketing the airport; he is only one person. The charge of this Committee changed to focus on development and marketing; the Committee is still building, but now has members from Swanzey, the airport, airport tenants, and economic development representatives from the City. She hopes the image of the airport can shift to an underutilized regional asset that is getting better and better. There have been efforts to bring Cape Air back to Keene. There are opportunities for the state to help the Keene airport remain vibrant, moving forward, and active with connections to organizations that do not currently know we are here. She has spoken with Swanzey representatives about bringing an Economic Revitalization Zone (ERZ) here, which is a painless, no-risk process for the town; it is another tool for economic development and attracting people to the airport. She hoped to hear more about how Keene can collaborate with the state.

Mr. Bergeron said there are narrow priorities for marketing an airport. Pease and Manchester have tried to be aggressive in attracting new business; they have a long-established and specific way of marketing that he is unaware of. He asked what it is like to pitch the Keene airport and what customers are looking for. Mr. Wozmak replied that the airport has airside and landside revenue; there is rarely revenue from just aviation. He said airport marketing is presently a matter of reaching out to companies currently housed at other airports they might be outgrowing and telling them how they could do better in Keene. He researches companies that might be compatible with this region and tries to find out what they use an airport for; some companies like proximity to an airport so they can charter or use corporate jet traffic to move their sales force around the country. Keene has the third longest runway in the state; with a charter service a company could be more efficient making sales calls around the country. He and the City Manager have also discussed the opportunities for a company like FedEx here as a freight facility that allows them to move away from a more congested airport and move packages faster. He said this airport has a broad niche, but it is a niche.

Mr. Bergeron asked where the majority of marketing is for air and land revenue sources. Mr. Wozmak replied mostly in companies with aviation related interests (a mix of land

and air). He looks for companies that could take advantage of this airport by buying fractional ownership of a jet or charter service and could accomplish more around the country. This is a better location than Newport, which he pitches to companies.

Mr. Bergeron asked the key elements of Keene's approach to marketing and sales to date. The City Manager replied that this is only the second meeting but the work Mr. Wozmak has done has been direct outreach (calling/letters/research), to demonstrate what Keene can do for companies. She and the Mayor have also been meeting with businesses in Keene to see if and how they use the airport and if the airport is important to them; it is important to some and not others. She learned about a database of people who park at the Manchester airport; she wants to review demographics to see if companies flying from Manchester are from this region to help make a case for someone like Cape Air coming back to Keene. The Committee will work on talking points to ensure everyone gives the same language about the airport as well as electronic marketing and social media.

Mr. Bergeron said inclusion of the airport on the new City website is a great first step forward. His office used to be called the Department of Resources and Economic Development (DRED); Governor Sununu renamed and restructured it with a different approach. He has been with the state since 1997 after working in commercial real estate in downtown Boston. He said sales calls are a traditional marketing approach. Today, however, social media is the primary marketing tool; technology has changed how people communicate, including businesses. He said everyone, from the state to Keene, needs to recognize that social media is the way to develop relationships and connect with companies; whether we like it or not. The state is taking this approach and has realized companies care less about money and more about recruiting and retaining talent. When looking at a region, a company will look for: an existing building with ceiling height 20' or higher, nice loading docks, and a cool space that will attract young talent. There are also incentives like the ERZ program for tax credit. He thinks the key is to tell the story about NH (choosenh.com); tell personal stories about a person who has a company (like Ms. Bendel) instead of a story about the company. He suggested looking at the region and putting specific stories on the website, with photos of people and not buildings, to create an emotional connection to how unique Keene is – including the third longest runway in the state. A challenge is recruiting companies if there are no laborers in the region. He envisions small companies that can make lower risk steps here with higher certainty; larger companies like Honda and Boeing look for government subsidies, where the talent is least expensive and most abundant. He suggested leveraging smaller targets with our story and shifting from cold calls to social media and earned media emphasizing why it is so cool to be in Keene.

Ms. Kayler explained the state's ERZ program, which is a state level tax incentive program for municipalities and businesses:

- Municipalities must designate an area of the community as a zone – vacant or underutilized commercial or industrial spaces, large or small. A simple process with a local vote and application to the state.
- Businesses in the zone are eligible for tax credits if they 1) invest in capital improvements and 2) create new positions and hire people.

Keene and Swanzey have ERZs, which can help with recruitment; Swanzey has done well with this program in the past.

Ms. Kayler mentioned another state program, the Job Training Fund. A grant program that provides 50% of the cost of a training program a company wants to offer its employees; a great tool for companies that was to upscale and attract workers. This fund and the ERZ program are two of the largest tools attractive to companies when they consider moving to New Hampshire.

Mr. Bergeron discussed leveraging relationships within the NH university system; connecting universities with businesses and state policy. This fall, the presidents of each college will meet to discuss better connecting with the business community. He mentioned the Choose NH Job Board; he said there are major employers not on that list that should be so this talent search can be pushed throughout the US and target the young demographic interested in the Boston metro market. The City Manager said she has spent time on the Job Board site and there are many things missing for this region. Mr. Bergeron agreed and said the Commissioner is the point person for this region and the City Manager should contact him to improve the information for this region. The City Manager said that website is connected to the Monadnock Travel Council, which requires membership; she asked how to get information on their list without membership. Ms. Kayler offered to investigate that. Mr. Bergeron said the state budgets \$6 million per year for tourism but only \$100,000 for marketing, which is likely why the City Manager is seeing the influence of tourism on the website. The City Manager will contact the Commissioner with feedback. Mr. Bergeron said his office does not have airport connections and will likely be most helpful in making connections with companies. He will help reinforce the City reaching out to identified potential small/medium sized companies; they will act as a part of the sales team confidentially, bring resources to help pitch the airport and region, and do advanced research that might help them make a decision.

The City Manager discussed efforts to brand the region. She has been pursuing the opportunities for travel and tourism and partnering with the Peterborough Chamber of Commerce to apply for a grant to brand the Monadnock region. She thinks everyone needs to come together to brand the region, which will help to make progress in Keene. The airport is only on Facebook and Mr. Bergeron said they should also be in Instagram, Twitter, and Snapchat. He suggested the Committee do small, tangible things the right way to encourage everyone. The Flight Deck and Monadnock Aviation are good at social media. Mr. Bergeron said to contact his office on matters the airport needs help with; that is what they are there for. The key is social media and his office will contact Mr. Wozmak when there is a lead for the airport from their research; then Mr. Bergeron can be the liaison to customize a presentation for them with the airport and City.

The City Manager said she thinks a lot of this is on the City and this Committee; there are opportunities the state can help with but it is up to the City to reach out with a narrow focus via social media. Mr. Bergeron thinks C&S is an important part of this economy and that relationship with the airport should be leveraged.

Mr. Delaney said he is a small business owner and asked, of the company inquiries the state receives via social media or otherwise, how many list proximity to an airport as a priority. Mr. Bergeron replied he did not know; he does not talk about Manchester for people in this region because it is not what customers are focused on.

Mr. Moriarity said one of the largest draws of people to the airport is real estate; there is a lot at the airport. Historically, Keene did not focus on non-aviation opportunities. Times have changed and we should capitalize on non-aviation where there is acreage (like creating a passage from Swanzey to the airport by connecting Kriff and Airport Roads). Land around the airport is designated for both aviation and non-aviation.

Chair Hansen recognized Steve Bittle who said at some point as the economy recovers there will no longer be available buildings and companies will have to settle for raw land; that is where Mr. Bergeron thinks NH is right now. Mr. Bittle asked if there is a middle ground between raw land and a perfect building, or ever a case that someone puts together a group to build (like the airport). Mr. Bergeron said no matter what it is in real estate, it is never enough; you need to know the market and what is in demand. He said in general pitch talent first, then real estate.

Chair Hansen recognized Sly Karasinski who asked if Bob Ferlone with the Airport Business Center had been approached (he builds commercial buildings). Mr. Wozmak has not spoken to him recently. Mr. Bergeron said local developers sometimes have a maximum footprint, which forces them to leave the region they are in.

4) Confirm Next Meeting

5) Adjournment

Mr. Bendzinski made a motion to adjourn the meeting, which was seconded by Mr. Hutwelker. Hearing no further business, Chair Hansen adjourned the meeting at 10:18 AM.

Respectfully submitted by,
Katie Kibler, Minute Taker