

City of Keene
New Hampshire

AIRPORT DEVELOPMENT AND MARKETING COMMITTEE
MEETING MINUTES

Tuesday, December 13, 2022

9:00 AM

**Terminal Building,
Dillant Hopkins Airport**

Members Present:

Curt Hansen
Nathan Jacobs
Richard Blood
Elizabeth Bendel
Bill Hutwelker
Peter Temple
Kristopher Radder

Staff Present:

David Hickling, Airport Manager/Chair

Members Not Present:

George S. Hansel, Mayor
Elizabeth Dragon, City Manager
Councilor Mitch Greenwald
Brian Johnson
Alona Florenz
Luca Paris

1) Call to Order

Chair Hickling called the meeting to order at 9:05 AM.

2) Adopt August Meeting Minutes

Chair Hickling asked if anyone had any changes or corrections for the minutes. With no changes or corrections, he requested a motion to approve the August minutes. Mr. Curt Hanson motioned to approve and Ms. Beth Bendel offered a second. With all members in favor of adoption and no opposition, minutes were approved unanimously.

3) Airport Land Use Study Presentation (McFarland Johnson)

Chair Hickling introduced Mr. Steve Bourque of McFarland Johnson. Mr. Bourque explained Mr. Hickling had expressed interested in building some hangers at the airport and had requested their assistance in the identification and assessment of various land

parcels and in the determination of the best potential locations. McFarland Johnson was able to identify fourteen parcels with development opportunities and looked at the various constraints as well as the best use of each. Attention was paid to environmental constraints, FAA Part 77 limitations, utilities and other infrastructure available, and location in regards to airfield access

Aside from protected FAA services, wetlands and flood plains create some challenges. Outside of that, most of the parcels were viable for development. Part 77 protected surfaces designed to protect aircraft operations are not always prohibitive. Mr. Bourque said there is a process for notification so that when someone wants to build something near an airport, this process will ensure the building is not going to interfere with the aircraft or functioning at the airport.

In discussing the various parcels, Mr. Bourque said on the South end of the airport, they had hoped there would be more development potential, but there are part 77 and approach surfaces that limit heights of development.

Mr. Burque explained that Parcel one is near the C&S hanger and the maintenance/ SRE building. There is a building restriction line typically used to denote how far away a building would need to be from certain surfaces. Ideally, there would not be any development over 35 feet, as it would violate the part 77 surfaces. Mr. Hickling clarified that the building restriction line is a restriction on height, but it is not completely prohibitive of development.

Mr. Peter Temple spoke and asked for clarification on the various restrictions, in particular, if slope was also an aspect to which Mr. Bourque confirmed it was and that shorter buildings should have no issue inside those particular areas of restriction. Mr. Temple asked how the primary surface was defined. Mr. Bourque said it was rectangular surface that is centered on the runway centerline. It is a different width based on the runway width and will be based on the type of approach. He added that mitigation for such situations typically involves putting red obstruction lights on the structure.

Mr. Burque returned the discussion to the various parcels, and said one of the ideal locations was parcel two. He added that the parcels on the east side were previously discussed in depth with Mr. Hickling and it was agreed that they're were challenges due to sloping terrain. Mr. Hickling added that those parcels were certainly less ideal than others for aeronautical development were, but he has been considering options using abutting parcels. He noted that he has discussed the possibility of a land swap for more a developable parcel, but that it would be an intensive process. Mr. Burque added that in swap situations like this, the FAA wants to make sure airport gets a good deal and is protected. If it is a one to one swap, that is generally not an issue. However, if the airport stands to lose anything, then it becomes more problematic.

Mr. Nathan Jacobs stated he is not for giving away any of the lands around the airport and suggested rather than swapping, the City outright buy the land. Mr. Hickling clarified that the city does not have the revenue budgeted for a land purchase at this time.

Mr. Temple seconded that and asked how much federal funding the airport would be getting. Mr. Burque clarified that they would receive roughly two hundred and fifty nine thousand per year. Mr. Temple asked if that would help towards buying a piece of land. Mr. Hickling noted that any money coming into the airport has generally already been earmarked or there is already a need. However, it is certainly something to look at. He added that having that whole parcel would be great for development. He noted that the airport does not have a potential developer and that if someone approached them with a proposal to build a hanger in that location and had the means to do so, it would better justify the City making an investment. Purchasing land for potential development is not always feasible. Mr. Jacobs questioned his understanding as he thought the purpose of this process was to plan for the future.

Mr. Temple added that of the two adjacent pieces, the southern one is so much more valuable to the airport because of its location. He added that there are probably plenty of people who would invest into building nice hangers if there was incentive to do so. If there is potential that the land might be pulled out from under them in ten or twenty years, that is going to serve as a large deterrent from individuals being willing to develop and invest those sums of money. Mr. Burque clarified that typically the hanger leases run 30-40 years to which Mr. Temple responded that even that is not that long. Mr. Hickling added that they were looking at a twenty year lease with a twenty year renewal option and would have considered another ten years after that. The issue is that the FAA will not allow over fifty years because after that they consider it a change in use. If one can justify longer than 50 years, they might give a variance. A new lease could be negotiated after that 50 years, but it would have to be brought up to date. Mr. Temple stated that would be fine as long as there is something that allows a person through contractual language to make sure whoever built the building does not lose everything when the lease ends.

Mr. Jacobs questioned the forty-year term limit. Mr. Hickling again stated that the FAA believes that forty years is enough time for a developer to receive a return on their investment and that longer terms are not in the best interest of the airport. Mr. Jacobs argued that there should still be a change to renegotiate so the owner of the building has the chance to continue to use it.

Chris Radner asked if the state offers any grants programs to help people that want to develop around airports that could potentially prevent selling the land. Mr. Hickling responded that if one was bringing in a business that was expected to bring in business and jobs, then yes. There are even some tax breaks and incentives from Town of Swanzey for that as well, but not so much for private hangars.

As far as renegotiation, Mr. Hickling believed it could be written in that after forty years, there could be language that says they could renegotiate the terms.

Mr. Temple pointed out that if an individual built it on land they owned, they would be able to sell it for significant amount of money rather than demolish it or walk away. Mr. Hickling said

he went to two different conferences and both speakers were adamant about a forty to fifty year term with a reversion clause at the end of it.

Mr. Burque added that the reality is that in most airports there is no reversion clause. Mr. Temple argued that it was possible to do both. He recognized the possibility that after forty to fifty years, it may not be feasible to keep a building in that location but since these buildings do not lose money, the developer should be compensated for it.

Mr. Burque returned to the discussion of the parcels and stated they looked at space in between hangers on aviation drive. Unfortunately, because of the location of the most recent hanger, the spaces are no longer viable for any development. There are fire protection standards that state no less than 50 feet between the hanger and other structures. While there are options to increase the fire resistance in the buildings so they can be built closer together, they are often costly.

A question was raised regarding building expansion and Mr. Burque responded that his understanding was both buildings would require the fire protection walls.

Mr. Burque discussed how the airport master plan from 2015 identified a T hanger extension, which involved putting the hanger within protected FAA surfaces. He suggested not doing that and offered some alternatives in the presentation.

He continued and noted that on south end, they had identified a few parcels and looked at the viability of having some kind of non-aeronautical development in that area. He added that the full presentation included some of the hanger's sizes, potential configurations and potential lot design. He noted that they had built them out quite a bit more to show other elements not often considered such as storm water protection areas, some septic if bathrooms were desired for some of the larger hangers.

One of the last things, he discussed was how they looked at whether it was more viable for the airport to build a ten unit t-hanger or to have private development come in to build it and lease the land to the developer. His slide offered a cost comparison over forty years compared to if it was privately built and leased out. If the airport were to do it, it would be significantly harder to recover the cost over those years.

Mr. Temple asked if he could explain why. Mr. Burque explained that a private developer could build to different standards than the city could. Mr. Temple asked if that was because of restrictions that govern city constructions rather than private, to which Mr. Burque responded yes. Mr. Hickling said if it went to the city, they would have to bond that money resulting in no income gained until that debt, interest is paid off, and by then, the maintenance costs would have started to accrue.

An individual asked about parcel eight. Mr. Burque said that when considering development on this parcel, they believe demolishing the hexagon hanger there would provide the best

opportunities. He noted that there are additional considerations because of the proximity to Wilson pond and it may also require a retaining wall or other work to mitigate the terrain change.

Mr. Temple stated that he understood that airports are exempt from town or City regulations, but Shoreline protection act is state, and questioned whether builders would have to comply with shoreline protection. Mr. Burque responded yes, they would. Mr. Temple stated that work could be done in a flood plain so long as there is creation of compensatory storage in another area and whether that was true of airports. Mr. Burque responded yes.

Mr. Temple asked if parcel nine still an option as previously designated in the earlier master plan. Mr. Burque responded yes, it is certainly viable depending on the height of the building. Questions were asked regarding if a building was not appropriate for a particular parcel, is or would there be potential for aircraft parking. Mr. Hickling responded that was a good question and something to consider.

Mr. Burque noted that there is interest in parcel three given the fact that it is level, clear and graded. He added that potentially building into areas of the airport like the transitional surfaces, often creates consequences. When looking at approach surfaces, care needs to be taken to be careful about developing and penetrating these areas. He provided an example of someone who wanted to build a facility in the approach surface. They would have to submit a form 7460 to FAA and the FAA would then review. They would likely say go ahead and build but they will take raise approach minimums, thereby severely limiting the functioning of the airport. He showed an image of a visual approach for runway 20. While building a hanger in here will penetrate the approach surface, he noted it might not be as much of an issue at this end versus the other end where there is an instrument approach, unless at some point you want an instrument approach out of this particular runway.

It was asked if there was a plan to grade some of these future hanger spots. Mr. Hickling responded that terrain does not deter developers as much as utilities.

Mr. Temple asked if the idea was to create a model of something that could happen to each of these parcels. Mr. Burque responded they did it for the first two parcels, but not all the way downstream.

Mr. Temple asked since parcel three is so close to approach, whether that meant development was not going to be possible. Mr. Burque responded that development in parcel three is not impossible, but it is going to have to be looked at very carefully.

Discussion ensued about the possibility of scoring the parcels based on grading, height restrictions, potential, constraints, etc. Dave said he would share this presentation with the group, as much of that data is included in the presentation. He will e-mail it to the committee members. Dave thanked Steve for his presentation.

4) Airport Marketing & Communications Plan Discussion

A) Airport Development Marketing Plan

Chair Hickling said he would like the committee to be involved in the marketing process of the parcels identified in the study we just reviewed. He believed it would take a significant amount of time to try to do this in the monthly meetings and asked the groups opinion on creating subcommittee to work on this.

He was asked what his vision for this was. His thought was to create a website and use that to as a landing point to drive all potential developers to. How we drive potential developers to that site is what the Committee should determine. The Committee could complete a S.W.O.T. analysis, determine the plan's goals, target market, identify the best avenue to reach those markets, and then the steps for successfully implementing this plan.

It was asked if he saw a committee that will help with marketing on the website and a separate one for mission/vision. He responded that he did.

Many members agreed on creating a subcommittee, but noted that it needs to be integrated with the City of Keene and Town of Swanzey.

It was asked if there was someone in the City that could lead the charge who has more familiarity and connections that the committee members. Dave said this would be the focus for the month of January. The plan is to create a subcommittee of four people. It was mentioned that Ms. Bendell did an excellent job of chairing a subcommittee the last time a project like this was undertaken. It was asked of Mr. Hickling to send out a definition of types of businesses he is thinking to target.

B) Airport Communication Plan

City Communications Director, Rebecca Landry to be invited for January meeting.

C) Mission Statement

The goal is to work to define the purpose and primary objectives to be able to explain why the airport exists as a business and help to distinguish the airport in the marketplace and attract and retain loyalty.

- 5) **Old Business**
- 6) **Next meeting date: January 24, 2023**
- 7) **Adjournment**

There being no further business, Chair Hickling adjourned the meeting at 10:16 AM.

Respectfully submitted by,
Amanda Trask, Minute Taker

Reviewed and edited by,
David Hickling, Airport Director