



## Community Air Service Recruitment 2021 Overview

The Helena Regional Airport Authority is excited to ask the community to be part of an air service recruitment opportunity to provide more flights through the Helena Regional Airport. The past couple years, the Airport has been aggressively pursuing additional service by continually working with the various airlines to look for opportunities. The airport has met numerous times with all of the major airlines and continued to maintain an ongoing relationship with each of them. Although the COVID-19 Pandemic has had an impact on the airline industry, including air service in Helena, we believe future opportunities exist for Helena. As a result of the Pandemic, all of the airlines are re-thinking their overall route structure. Since Montana has seen more interest and growth in many communities, there are potential opportunities for us to continue exploring.

American Airlines is one of the many airlines we have been working closely with to look at opportunities for Helena. We are excited that American has expressed interest in supporting our efforts to obtain new service to Phoenix Arizona. Helena's location provides a great opportunity to link Western and Central Montana with Phoenix Sky Harbor Airport. Currently, the only other airport that has a direct connection to Phoenix Sky Harbor Airport is Billings. Other Montana communities have connections to the Phoenix area through Mesa Gateway Airport on less than daily service by Allegiant, but nobody in the central or Western part of the State has direct flights to the large hub that Phoenix Sky Harbor provides. In today's environment, new air service many times requires communities and airports to provide incentive or risk mitigation packages to get airlines to commit to trying a new flight. We need the *Helena community's support* to gain traction to start this new service. We are also collaborating with the Phoenix Sky Harbor Airport on this effort and they are working to support this endeavor from their side.

The Airport is submitting an application for a Department of Transportation Small Community Air Service Development Grant by the January 26, 2021 deadline. This grant will help provide the necessary package to help convince American Airlines to start this new route. American Airlines has agreed to support efforts to secure a grant for their new service. In order for this effort to be successful it is essential the community supports this new service in the form of a financial guarantee, in-kind contributions, and letters of support. Federal regulations prohibit airports from using airport generated revenues for airline incentives. The sole contribution the Airport Authority can legally provide in these instances involves fee waivers charged for the airline's use of the airport facility for a maximum of one year. The Airport Authority has adopted an incentive program to allow airline use fees to be waived for one year. It is estimated this piece of the incentive package is valued at \$120,000 during the first year of service. **The community fundraising goal for this overall effort is \$100,000 in cash, and \$50,000 in marketing support.** This form of recruitment is being used all over Montana and nationwide to expand air service options and it has seen great results.

The following facts outline the effort we are putting forth for Helena:

**Additional Air Service Focus:** New service in between Helena and Phoenix, Arizona. Phoenix ranks as Helena's #5 origination/destination airport

**Targeted Airline:** American Airlines (This would be a **NEW airline brand** to serve Helena!)

<b><u>Anticipated Timeline:</u></b> Local Fundraising Pledge Campaign Begins	January 4, 2021
Application for DOT Grant Due	January 26, 2021
DOT Grants Awarded	Anticipate Summer of 2021
Airline Service to Begin	Estimated Late 2021/Early 2022

**Donations Process:** *Pledges only* for financial support at this time, with payment later following airline service announcement (expected late 2021/early 2022). **The community fundraising goal is \$100,000 in cash and \$50,000 for marketing support.**

**Complete Community Recruitment Package to Be Offered:**

Revenue Guarantee/Startup Costs (Federal DOT - SCASD Grant)	\$1,110,000
Airport Contributed- Airline User Fee Waivers	\$ 120,000
Local Community Match (Cash)	\$ 100,000
Local Marketing Support (Can Be In-Kind)	\$ 50,000
<b>Total Recruitment Support Package Value</b>	<b>\$1,380,000</b>

If you are interested in being part of this community-wide endeavor but need additional information, or would like a presentation to your business or organization, please feel free to contact me.

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**\*If you wish to commit to making a financial pledge, a pledge form is included with this letter.**

**\*Also, if you have interest, a sample support letter is also attached with this announcement and may be filled out and sent back to us for inclusion in the application packet.**

**THANK YOU FOR CONSIDERING SUPPORT OF THIS EFFORT!**

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