



**Airport Strategic  
Business Plan  
2022**





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*Special thanks to:*

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*Deborah Wyman – Document Proofing and Editing*

*Virginia Finnerty – Established the volunteer Strategy Team*

*In memory of City Councilman Doug Mercer and Mayor Mac Hodges,  
the first city leaders who saw our airport as a potentially significant  
asset and imparted that vision to others.*



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Washington, North Carolina, established in 1776 has a notable history, and our city continues to ensure its progress toward the future.

Located on the Pamlico Sound, where the Tar and Pamlico Rivers meet, Washington's strategic location has been a hub for commerce by land, water, and rail, bringing local products to ships and trading in a wide variety of imported materials.

As a result, Washington has always been cosmopolitan, even in its earliest days.

Our city's leadership has capitalized on its natural and commercial assets to move the city forward and enhance the local economy.

In recent years, our city leaders identified Washington-Warren Airport (OCW) as an asset that Washington could transform into the next hub of economic activity.

Through a shared vision, airport management, the airport's board members, community volunteers, and city leaders crafted this document.

It was originally a Ten-Year Strategic Business Plan, but word of our vision spread. This shared vision reached our state leaders and before the document was even completed, the North Carolina State Assembly provided the funds needed to help OCW achieve its goal.

As a result, what you see here is a Strategic Business Plan that demonstrates a greatly abbreviated timeframe.

The following Washington-Warren Strategic Business Plan provides an overview of our vision and our mission. It will help you understand the benefits of joining us on our journey.

## SECTION 1 – OVERVIEW OF AIRPORT STRATEGIC BUSINESS PLAN

### 1.1 Introduction

Washington-Warren Airport, three-letter designation, OCW, (Airport) has commissioned the Airport Strategic Business Plan (ASBP), to define a roadmap toward modernization and growth. The City of Washington has appointed a panel of volunteers, the Airport Strategy Team (AST), assigned to the Airport Advisory Board as the work group tasked with updating the Airport Strategic Business Plan. This method will assist the Airport with the development of an effective and relevant transportation resource for the long-term benefit of the City and surrounding communities. The City elected to commission the Strategic Business Plan to ensure the Airport's future growth and increase revenues, ultimately eliminating the need for subsidies from the City's general fund. This ASBP identifies and implements the long-term mission, vision, values, and goals of the facility and incorporates them into future planning and development efforts.

### 1.2 Purpose

The ASBP serves as a resource document for the Airport, which utilizes a logical and disciplined structure to set out goals, objectives, and action plans that will drive the day-to-day operations, management, and economic development of the Airport. Although triggered by the City's desire to reduce General Fund subsidies, the plan will attempt to address questions such as:

- What should the primary function or role of the Airport be in the future?
- How will the community obtain maximum benefit from the Airport's operation?
- How should the Airport be improved to include additional pursuits such as increased charter, corporate, and other air services?
- How does the Airport maximize revenue and development potential? The critical elements necessary to address these and other questions will be identified and developed as part of this process. The goal of the ASBP is to produce a viable plan to improve the business and operational standing of the Airport as it grows in the future.

### 1.3 Airport Background and History

The Airport, in Washington today, was built for training American pilots in the 1940s. It was named after a Representative from North Carolina, Lindsay Carter Warren, born in Washington, Beaufort County, on December 16, 1889. Warren was chair of the Democratic executive committee of Beaufort County 1912-1925; a member of the State senate in 1917, 1919, 1959, and 1961, served as president pro tempore in 1919 and served as a member of the State representatives in many capacities until his retirement on May 1, 1954. Warren died in Washington, NC December 28, 1976, and is interred in Oakdale Cemetery.

It is believed the Navy turned the airport over to the County and City who jointly maintained it until 2009 when the County voted to give the City sole authority over the Airport. Shortly after WWII, Army pilots were trained in Washington and used as Agriculture pilots, spraying farm fields in the agriculture-rich counties surrounding Washington.

The City de-annexed the Airport from its tax role, to attract businesses and aircraft with lower property taxes, but the Airport struggled after three aircraft maintenance and flight school businesses moved away.

The current Airport Terminal was dedicated on May 25, 2015, and replaced the old terminal which was destroyed when a windstorm demolished it two years earlier. Much of the history of the Airport was lost during that event. The opening of a new terminal building sparked new interest in reviving the struggling airport.

In October 2017, the City contracted an individual who had experience in aviation to manage the Airport. The 3-year plan was put in place by the manager and Council to repair and improve t-hangars, repair and update the fueling system, and refurbish runways 5-23, all taxiways, and tiedown space and apron. The pavement project was completed in July 2020. Additional equipment, such as a tug, Ground Power Unit (GPU), and mowers, were purchased. Training manuals and SOPs were created, and a concerted effort was made to rebrand the Airport.

A federal program designed to help bring economic development to impoverished communities, called Opportunity Zones, was enacted in 2018, and the Airport is within the zone drawn out for Beaufort County. Another marketing tool was given to the Airport when the Council approved the Airport Development Investment Grant Policy (ADIGP). This incentive encourages investors and businesses to build hangars and bring aircraft to the Washington-Warren Airport. The Airport management, along with Beaufort County Economic Development, has used these programs in marketing the Airport.

In June 2020, with the help of the Council, a sub-committee was formed to create the Washington-Warren ASPB to aid the City and Airport management with a road map to follow and put the Airport on a path toward self-sustainability.

Finally, the Airport outlined a plan to modernize the airport to position it for Revenue-generating expansion and worked with state officeholders to secure state funding. A \$20 million line item was approved and announced in December 2021. Management will use the funding for Airport infrastructure needs and to posture the Airport for maximum growth. No City financial contribution is required for this modernization, only management resources.

## Exhibit 1-1 Washington Warren Airport



*Source: Google Earth*

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### 1.4 Future Development

Appropriate planning is critical to the Airport's future development and must include evaluations of the facility's infrastructure, capabilities, and services. The City of Washington is currently updating its ASBP, which includes an inventory of existing facilities and conditions on the airport, and an evaluation of current design standards, providing a basis for updated guidelines necessary for a safe, efficient, and economic airport system.

As shown in **Exhibit 1-2**, Washington-Warren Airport currently has two active runways, 5–23 is the active runway and is five thousand feet in length and seventy-five feet wide. The second, crosswind runway is 17-35. It also is five thousand feet in length and seventy-five feet wide. Runway 5-23 was refurbished in 2020 because the FAA determined it to be the primary runway due to prevailing winds. The concrete on runways 17-35 is currently in good condition; however, the asphalt on both shoulders is in poor condition. The FAA has declined to make improvements on secondary runways for budgetary reasons. The Airport also supports a terminal building, dedicated in May 2015, a combination of five conventional and five t-hangar complexes for a total of 21 individual t-hangars, along with one small annex building, and a small metal building used to store mowers. An onsite, 24-hour, self-serve, Jet-A and AvGas 100LL fuel facility is also available to service-based and transient aircraft as well as, Jet-A and Avgas 100LL fuel trucks. The field also includes a 39-acre solar farm which was placed in the middle of the third runway.

The Federal Aviation Administration (FAA) design standards for the development of an airport are primarily based on the size and performance characteristics of aircraft that are used or anticipated to use an airport over the course of a 20-year planning period. Furthermore, various elements of an airport’s infrastructure and functions are based on these standards. The identification of these planning criteria, known as the airport reference code (ARC) is a crucial component of the ASBP. The ARC is determined by the critical design aircraft approach category (AAC) and airplane design group (ADG). OCW is currently an Airport Reference Code (ARC) B-II facility.

**Exhibit 1-2 Washington-Warren Airport Current Facilities**



*Source: Google Earth*

### *Summary - Section 1*

- *Formation and purpose of the Strategic Plan Team.*
- *A brief history of Washington-Warren Airport*
- *A brief description of the current Airport property*

## SECTION 2 – SITUATIONAL ANALYSIS

### 2.1 Introduction

An ASBP must be developed within the context of national, state, regional, and local historic, fiscal, and economic factors. An airport's future development plan is dependent on the comprehension and application of economic factors, both positive and negative, to successfully plan a sound business course. A review of economic indicators from national, regional, and local levels is necessary to provide a comprehensive macro to micro view of the development environment for the Airport. The following sections describe the economic trends and indicators from a national level, down to a regional and local level, utilized to structure a picture of the current economic climate for the Washington-Warren Airport.

### 2.2 National Overview

Information derived from the FAA Aerospace Forecasts for FY 2016 through 2036 indicates that from a national perspective, the long-term outlook for general aviation is favorable, led by gains in turbine aircraft activity.<sup>1</sup> The active, general aviation fleet is forecast to increase by 0.2 percent a year between 2015 and 2036, equating to an absolute increase in the fleet of about 7,000 units. While steady growth in both the Gross Domestic Product (GDP) and corporate profits results are anticipated to result in continued growth of the turbine and rotorcraft fleets, the largest segment of the fleet, fixed-wing piston aircraft, continues to shrink over the forecast period. Although fleet growth is projected to be minimal, the number of general aviation hours flown is projected to increase an average of 1.2 percent per year through 2036, as growth in turbine, rotorcraft, and experimental hours could more than offset a decline in fixed-wing piston hours.

The FAA's most recent 2020-2040 forecast, noted that, except for 2020, modest growth is anticipated. Economies are expected to resume their long-term growth trend.

The FAA sees stable growth, closely tracking the national GDP. By 2040, general aviation has a projected growth of 16 percent. Nationally, the aviation component of the business community is recognized to continue to grow, though at a modest pace. Commercial aviation, which encompasses all airline activity and corresponding supporting airports, is still projected to be the focal point of this industry's growth. In the long term, the aviation industry should remain profitable reflecting a growing U.S. economy.<sup>2</sup>

### 2.3 State Overview – North Carolina Airport System

The N.C. Department of Transportation's network of [72 publicly owned airports](#), and the aviation and aerospace assets that rely on them, help move North Carolina's economy forward by creating jobs, supporting business growth, and connecting people and companies to markets around the globe.

These airports annually contribute \$52 billion to the state's economy, supporting 307,000 jobs that generate \$12.6 billion in personal income and \$2.2 billion in state and local tax revenues.

Aerospace giants Boeing, Cessna, GE Aviation, Honda Aircraft, Honeywell, Lockheed Martin, and Spirit Aerospace Systems, have substantial facilities in North Carolina, choosing it for its connectivity, skilled workforce, and business-friendly environment. North Carolina boasts the nation's second-fastest-growing aerospace manufacturing sector, with strong aerospace maintenance and military aviation enterprises, 14 commercial airline operators, and 26 air freight companies. North Carolina is at the forefront of innovations driving the growth of the evolving unmanned aircraft systems (UAS), or drone, economy.

[North Carolina: The State of Aviation](#) highlights the significant economic impacts generated by the state's public airports and the many assets that support the vibrant and competitive aerospace sector. Both make North Carolina an ideal location to start, grow, and locate an aerospace or aviation-related business.

Over 220 local jobs are supported because of the Airport, which provides \$8.2M in personal income to the economy. There are \$925,000 in state and local taxes contributed because of the Airport, with an overall business revenue of \$23.3M generated. \*

\* Data provided by the NC Department of Transportation 2019 Division of Aviation Annual Report

<sup>1</sup>[https://www.faa.gov/data\\_research/aviation/aerospace\\_forecasts/media/FY2016-36\\_FAA\\_Aerospace\\_Forecast.pdf](https://www.faa.gov/data_research/aviation/aerospace_forecasts/media/FY2016-36_FAA_Aerospace_Forecast.pdf)

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## 2.4 Regional Overview

Washington-Warren Airport operates in Eastern North Carolina and competes to a certain degree with other general aviation airports in the region.

We find OCW in a favorable location for a non-commercial, airport, which focuses on corporate, private, and general aviation aircraft. The airport has gained a higher profile with pilots who have used it in recent years, and with Greenville, New Bern, and Jacksonville all struggling to keep their share of scheduled commercial flight service, it is our opinion that this region will not support another commercial (i.e., scheduled service) airport. Further, OCW does not currently have the infrastructure, such as length of runway, fire, and rescue, or fuel farm to support such operations. Therefore, focusing on making OCW a premier general aviation airport seems to be the prudent path toward serving the economic health of the area.

<sup>3</sup>[https://www.faa.gov/data\\_research/aviation/aerospace\\_forecasts/media/FY2016-36\\_FAA\\_Aerospace\\_Forecast.pdf](https://www.faa.gov/data_research/aviation/aerospace_forecasts/media/FY2016-36_FAA_Aerospace_Forecast.pdf)

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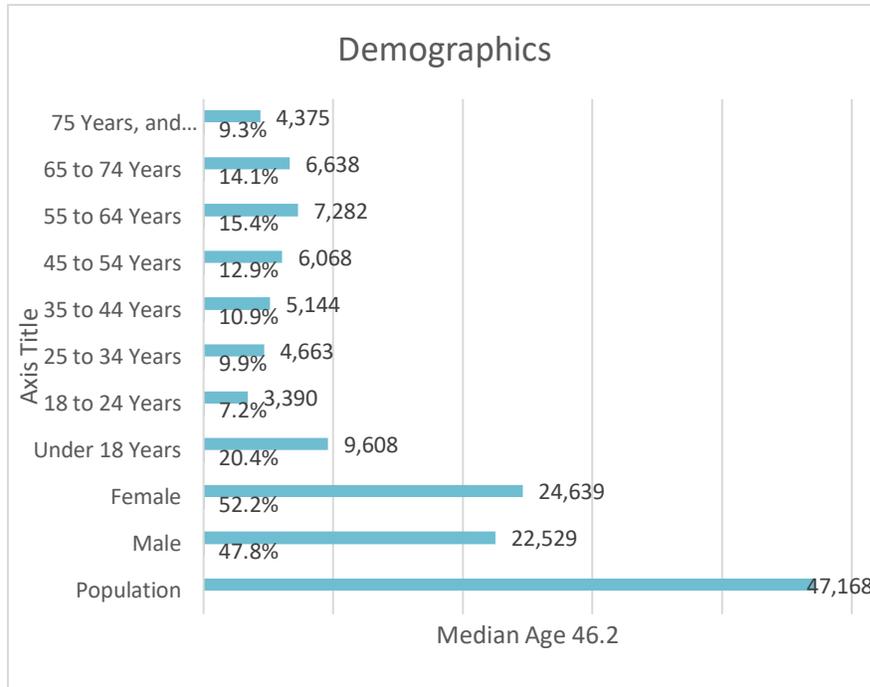
## 2.5 Beaufort County Overview

The population in Beaufort County, North Carolina was 47,168 per American Community Survey data for 2015-2019.

The region has a civilian labor force of 20,855 with a participation rate of 53.9%. Of individuals 25 to 64 in Beaufort County, North Carolina, 17.6% have a bachelor's degree or higher which compares with 33.5% in the nation.

The median household income in Beaufort County, North Carolina is \$45,212 and the median house value is \$132,800.

**Table 2-1 Beaufort County Population**

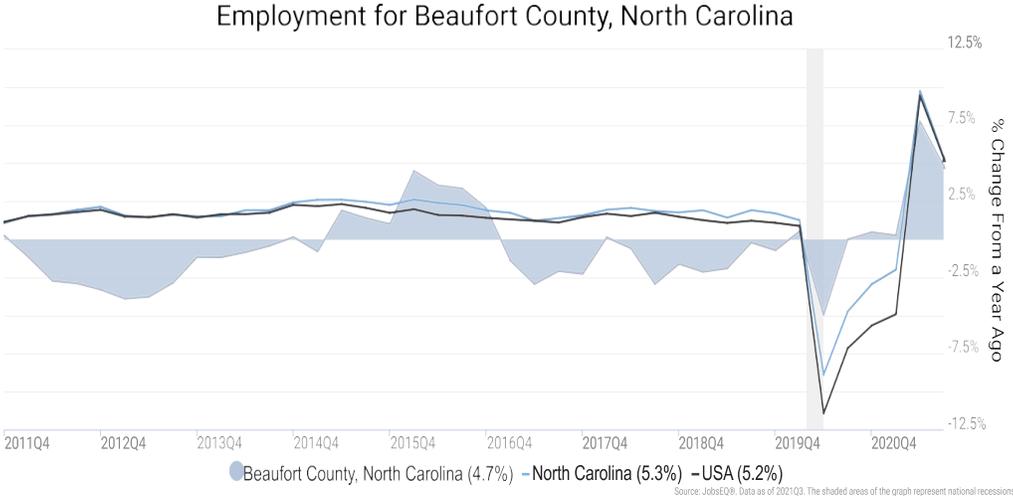


Source: JobsEQ®, <http://www.chmuraecon.com/jobseq>

### 2.5.1 Beaufort County Employment

#### Employment Trends

As of 2021Q3, total employment for Beaufort County, North Carolina was 17,344, based on a four-quarter moving average. Over the year ending 2021Q3, employment increased by 4.7% in the region.



Employment data are derived from the Quarterly Census of Employment and Wages, provided by the Bureau of Labor Statistics, and imputed where necessary. Data are updated through 2021Q2 with preliminary estimates updated to 2021Q3.

*Source: JobsEQ® Data as of 2021Q3*  
*Note: Figures may not sum due to rounding*

**Table 2-2 Beaufort County Industries**

Industry	Empl	Wages	LQ	Change	Ann %	Demand	Exits	Transfers	EmplGrowth	AnnGrowth
Retail Trade	2,308	\$27,014	1.27	-63	-0.50%	1,360	661	835	-136	-1.20%
Manufacturing	2,129	\$72,490	1.5	-550	-4.50%	1,009	401	687	-79	-0.80%
Health Care and Social	2,083	\$39,876	0.82	-45	-0.40%	1,068	489	506	73	0.70%
Waste Management	6,897	\$28,084	1.38	127	1.70%	908	377	514	18	0.20%
Accommodation and Food	1,338	\$16,247	0.99	-46	-0.70%	1,228	496	625	107	1.50%
Educational Services	1,297	\$39,269	0.93	-251	-3.50%	594	288	310	-4	-0.10%
Wholesale Trade	1,201	\$43,948	1.84	615	15.40%	599	235	389	-24	-0.40%
Public Administration	1,152	\$46,505	1.37	11	0.20%	506	222	302	-18	-0.30%
Construction	976	\$43,620	0.95	153	3.50%	462	170	305	-13	-0.30%
Agriculture, Forestry, Fishing	857	\$50,276	3.58	57	1.40%	428	194	262	-29	-0.70%
Other Services	701	\$25,842	0.93	-142	-3.60%	412	183	219	10	0.30%
Transportation	469	\$47,932	0.54	-22	-0.90%	238	105	142	-9	-0.40%
Professional, Scientific	406	\$52,020	0.33	-122	-5.10%	175	64	109	1	0.10%
Finance and Insurance	354	\$58,836	0.49	4	0.20%	153	62	101	-9	-0.50%
Arts, Entertainment	200	\$19,394	0.69	20	2.10%	177	67	83	27	2.60%
Real Estate and Rental	164	\$34,186	0.54	3	0.40%	79	37	45	-3	-0.40%
Management of Companies	79	\$73,542	0.3	-47	-9.00%	33	13	22	-2	-0.50%
Information	74	\$48,103	0.22	-97	-15.40%	35	13	23	-1	-0.30%
22 Utilities 15	15	\$74,805	0.16	13	50.00%	5	2	4	-1	-1.50%
Mining, Quarrying,	3	\$63,035	0.04	3	n/a	2	0	1	0	1.30%
<b>Total - All Industries</b>	<b>Total - All Industries 17,344</b>	<b>\$40,656</b>	<b>1</b>	<b>-382</b>	<b>-0.40%</b>	<b>9,340</b>	<b>4,025</b>	<b>5,393</b>	<b>-78</b>	<b>-0.10%</b>

2.5.2 Beaufort County Personal Income

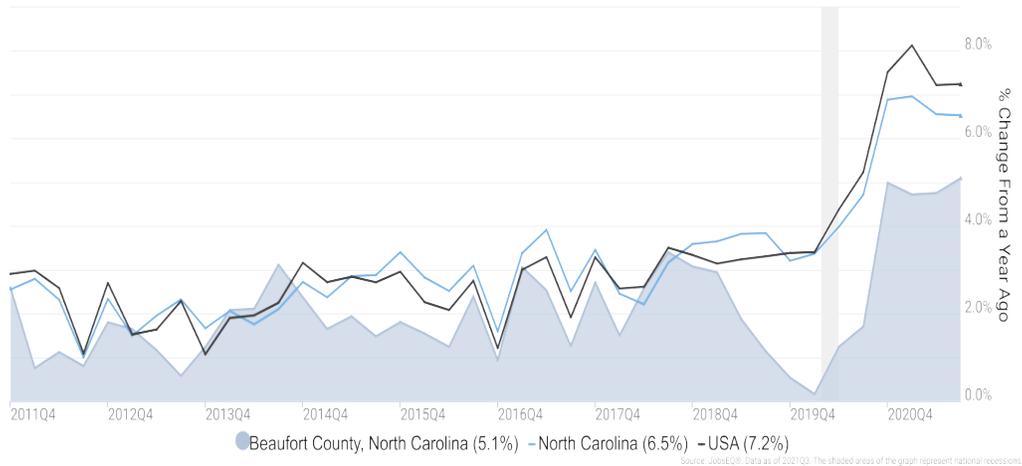
**Exhibit 2-2 Beaufort County Occupation Data**

**Wage Trends**

Occupation	Current					5-Year History			5-Year Forecast				
	Empl	Mean Ann Wages <sup>2</sup>	LQ	Unempl	Unempl Rate	Online Job Ads <sup>3</sup>	Empl Change	Ann %	Total Demand	Exits	Transfers	Empl Growth	Ann % Growth
Sales and Related	1,938	\$35,100	1.16	115	5.8%	144	84	0.9%	1,217	518	788	-89	-0.9%
Office and Administrative Support	1,842	\$35,000	0.84	82	4.0%	61	-32	-0.3%	926	430	587	-91	-1.0%
Transportation and Material Moving	1,631	\$32,600	1.09	101	5.7%	78	114	1.5%	1,029	373	660	-3	0.0%
Production	1,421	\$38,100	1.41	81	5.4%	34	-316	-3.9%	728	256	530	-58	-0.8%
Food Preparation and Serving Related	1,358	\$21,300	1.02	175	10.3%	67	-45	-0.6%	1,311	496	726	90	1.3%
Educational Instruction and Library	1,041	\$42,300	1.09	39	4.0%	37	-168	-2.9%	477	214	255	8	0.2%
Management	1,015	\$90,900	0.94	17	1.9%	26	-3	-0.1%	425	156	272	-2	0.0%
Healthcare Practitioners and Technical	859	\$67,200	0.84	16	1.6%	140	-13	-0.3%	261	114	138	9	0.2%
Construction and Extraction	852	\$39,200	1.06	54	5.5%	11	127	3.3%	449	134	326	-12	-0.3%
Installation, Maintenance, and Repair	769	\$44,800	1.16	36	4.0%	48	-25	-0.6%	377	122	251	4	0.1%
Building and Grounds Cleaning and Maintenance	749	\$26,700	1.31	46	5.9%	31	-137	-3.3%	487	204	282	0	0.0%
Healthcare Support	728	\$24,600	0.94	32	3.6%	36	13	0.4%	516	230	243	44	1.2%
Business and Financial Operations	710	\$62,300	0.68	13	2.2%	29	41	1.2%	337	98	241	-1	0.0%
Farming, Fishing, and Forestry	447	\$31,600	3.82	20	5.0%	0	54	2.6%	338	86	266	-14	-0.6%
Personal Care and Service	396	\$26,300	0.92	46	9.8%	12	-18	-0.9%	346	147	178	21	1.1%
Protective Service	357	\$37,400	0.97	9	2.2%	13	1	0.0%	157	64	95	-2	-0.1%
Computer and Mathematical	302	\$79,700	0.51	4	1.6%	17	13	0.9%	115	25	86	3	0.2%
Community and Social Service	269	\$46,300	0.86	2	1.2%	28	-17	-1.2%	150	49	96	5	0.4%
Architecture and Engineering	254	\$72,800	0.86	5	2.3%	24	-13	-1.0%	94	29	67	-2	-0.2%
Arts, Design, Entertainment, Sports, and Media	167	\$42,600	0.54	6	6.7%	5	-51	-5.2%	91	33	58	0	0.0%
Life, Physical, and Social Science	138	\$60,000	0.88	2	3.0%	13	4	0.6%	63	14	50	0	-0.1%
Legal	100	\$78,000	0.67	1	1.4%	2	4	0.8%	34	13	21	1	0.1%
<b>Total - All Occupations</b>	<b>17,344</b>	<b>\$42,000</b>	<b>1.00</b>	<b>901</b>	<b>5.0%</b>	<b>853</b>	<b>-382</b>	<b>-0.4%</b>	<b>9,941</b>	<b>3,804</b>	<b>6,215</b>	<b>-78</b>	<b>-0.1%</b>

The average worker in Beaufort County, North Carolina earned annual wages of \$40,656 as of 2021Q3. Average annual wages per worker increased by 5.1% in the region over the preceding four quarters. For comparison purposes, annual average wages were \$64,555 in the nation as of 2021Q3.

Average Annual Wages for Beaufort County, North Carolina



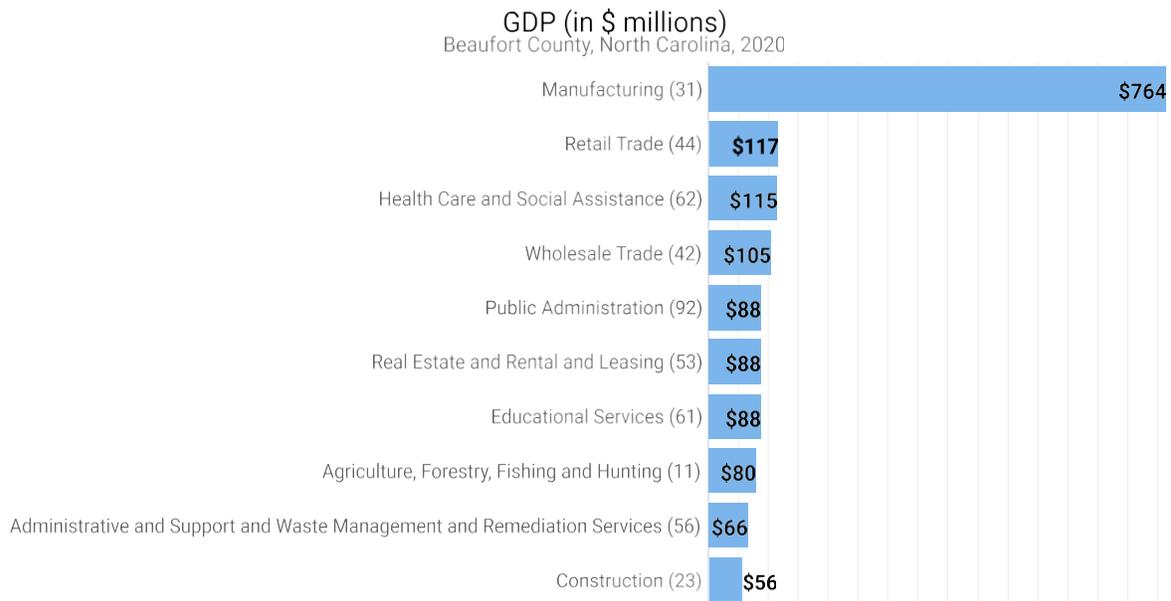
Annual average wages per worker data are derived from the Quarterly Census of Employment and Wages, are provided by the Bureau of Labor Statistics, and are imputed where necessary. Data are updated through 2021Q2 with preliminary estimates updated to 2021Q

### 2.5.3 Beaufort County Production Overview

Gross Domestic Product (GDP) is the total value of goods and services produced by a region. In 2020, the nominal GDP in Beaufort County, North Carolina contracted by 0.0%. This follows a growth of 0.6% in 2019. As of 2020, the total GDP in Beaufort County, North Carolina was \$1,816,524,000.

Of the sectors in Beaufort County, North Carolina, manufacturing contributed the largest portion of GDP in 2020, \$763,559,000. The next-largest contributions came from retail trade (\$117,198,000); healthcare and social assistance (\$115,240,000); and wholesale trade (\$104,629,000).

### Exhibit 2-3 Beaufort County GDP



*Gross Domestic Product data are provided by the Bureau of Economic Analysis, imputed by Chmura where necessary, and updated through 2020.*

### History of Beaufort County and the City of Washington, North Carolina

Like many other coastal counties, Beaufort County, then known as Pamptecough Precinct, was formed out of the larger Bath County in 1705. By 1712, the county received its formal name, which is attributed to Henry Somerset, Duke of Beaufort, and one of North Carolina’s Lords and Proprietors.

Although Beaufort was formally recognized in the early-eighteenth century, the area’s history predates the county’s establishment. English explorers trekked across what is now Beaufort County, encountered the Tuscarora Indians, and established permanent settlements by the 1690s. One such settlement grew into Bath, the state’s first incorporated town. Over time, the settlements became towns, burgeoning largely because of access to navigable waters.

Numerous towns, some of the historic notability, can be found in Beaufort County. Washington, the county seat, is named in honor of President George Washington. It once had a thriving shipbuilding trade and a busy port. Washington remains the cultural and economic center of the county. Bath, established in 1705, is the state’s oldest town, and first capital, and was a port of entry during the early-eighteenth century. The town of Chocowinity served as the railroad hub of the Norfolk Southern Railway starting in 1910.

Other towns located in Beaufort County include Aurora, Bayview, Belhaven, Pantego, Pinetown, River Road, and Washington Park.

A few notable people have called Beaufort County home. Col. James Bonner, the man who donated the land that became Washington, spent most of his adult years developing the city. He died there

in 1782. Although sparsely populated, the town of Aurora has been home to more notables. Willie Williams, Vice-President, and CIO of Navy-Marine Corps Relief Society, Richard Coffey, a former NBA player, and John Decatur Messick, fifth President of East Carolina University, all have called Aurora home.

As early as 1585, the first English explorers visited the area that would become Washington. However, it was not until the 1690s that the first settlements appeared. In 1705, Bath, located 15 miles to the east of present-day Washington was founded and became the first town in North Carolina. The region went by several names until 1712, when the county was named Beaufort after Henry Somerset, Duke of Beaufort.

The settlement that would be called Washington appeared in the 1770s when James Bonner started a town on his farm, which bordered the Pamlico and Tar Rivers. First called Forks of the Tar, the name was changed in 1776 to Washington in honor of General George Washington, making Original Washington the first town to be named after our first President.

Washington played a strategic role during the War for Independence. With the ports of Savannah, Charles Town, and Wilmington under British siege, the Continental Army relied on Washington as a supply port. After the war, the town grew in importance as a commercial and cultural center due to its prized location on navigable waterways. Washington soon established itself as the economic center of Beaufort County and its agriculture, fishing, and commerce trades. Near the end of the Eighteenth Century, the County Seat of government was relocated from Bath to Washington, since it had a more central location in Beaufort County, which was and still is split in two by the Pamlico-Tar River.

Washington fell to Federal troops early during the War between the States, consequently stifling the town's role in that war. The war left Washington devastated. Federal forces set fire to naval stores they were forced to leave behind as they vacated Washington under threats from the Confederate Army. The fire swept across the town destroying most of Washington's early buildings of historical and architectural significance.

Residents rebuilt the town only to see it destroyed again by fire on September 3, 1900. A faulty stove flue sparked flames that consumed much of the city's rebuilt central business district. Much of the downtown area's late Victorian commercial architecture was rebuilt in the decade after this second fire and remains one of the most intact and historically and architecturally significant commercial downtown areas in eastern North Carolina.

In 1969, Washington undertook a major renovation project and witnessed the construction of Stewart Parkway, a road, and a park paralleling the waterfront area. This project included the construction of a 1,500-foot-long walkway and bulkhead along the Pamlico River designed for both pedestrian and boat traffic.

In 1978, the Washington Historic District was established and placed on the National Register of Historic Places, encompassing more than 600 properties in the central business district and residential areas on both sides. Structures in the Historic District date mainly from the late 1800s

and early 1900s but include several structures dating from the late 1700s and early 1800s, which were able to survive the two tragic fires.

A period of downtown revitalization which began in the early 1990s continues today. New and exciting shops and restaurants continue to operate and open in the historic downtown area, overlooking the Pamlico River. In 2002, the City of Washington completed the Renaissance and Stormwater Management projects, which expanded boater and pedestrian access to Washington's waterfront, enhanced parking, and traffic flow, and created a stronger tie between the waterfront, the Historic District, and downtown.

Today, Washington maintains a prominent position in Eastern North Carolina. As a City of approximately 10,000 people and a greater community of approximately 26,000 residents, Washington remains the economic, cultural, recreational, and medical center of Beaufort County and several other counties as well. The rivers, although no longer vital to the shipping trade, supply a valuable recreational, ecological, and aesthetic resource. With the renewed interest in historic preservation and downtown revitalization, Washington is a city that truly lives up to its motto: Pride in the past, faith in the future.

The City of Washington has operated under the Council/Manager form of government since May 7, 1952. The Council/Manager form of government is authorized by the North Carolina General Statutes, Chapter 160A, Article 7. The City Council is comprised of five council members. Municipal elections are held in November on odd-numbered years. Council members are elected at-large for two-year terms. The Mayor is also elected at-large for a two-year term.

Council members hold policy-making and legislative authority. They pass ordinances, adopt the budget, appoint board, and commission members, and appoint the City Manager, City Clerk, City Attorney, and Tax Collector. The City Manager is the Chief Executive Officer and is responsible for implementing and enforcing policies and ordinances of the City Council, developing the City, overseeing the day-to-day operations of the government, and hiring department heads.

The headquarters for the City of Washington municipal government is the Municipal Building, which is often referred to as the old post office since the building originally housed the post office and federal government offices.

### **Contact Information**

**Street address:** Municipal Building, 102 E. Second Street

**Mail address:** P.O. Box 1988, Washington, NC 27889

**Telephone:** (252) 975-9300

**Fax:** (252) 946-1965

### ***Annual Financial Reports***

An independent accounting firm conducts an audit of the City of Washington's financial activities at the end of each fiscal year, the period from July 1 - June 30. Financial statements, supplemental

schedules, and other relevant information are compiled into a Comprehensive Annual Financial Report. The report explains the City's financial position and the results of City operations as measured by the financial activity of its various funds and account groups. The report for the fiscal year that ended on June 30 is presented to the Washington City Council and submitted to the NC Local Government Commission the following fall.

The full report is divided into the Introductory, Financial, Statistical, and Compliance sections. Only the Introductory section for the latest available Comprehensive Annual Financial Report is posted on this website. The Introductory section contains information about the organization and principal officials of the City of Washington and a summary of major initiatives and financial activities for the fiscal year. The complete report contains more detailed financial statements, economic data, and compliance reports and schedules. The complete document is available for public review at the City Clerk's Office in the Municipal Building and Brown Library.

### ***Budget 101***

Each of the funds listed in the City of Washington Budget Ordinance lists individual cost centers. These cost centers list the expenditures required to provide a particular category of services, such as Police or Parks and Grounds. Each cost center is broken down into line items based on each type of expenditure, such as salaries, departmental supplies, telephone expenses, and maintenance and repairs. The amount allocated to any cost center can be amended by Washington City Council during the fiscal year through Budget Ordinance Amendments.

The budget summary on this web site lists only the total amount originally budgeted for each cost center. To see a breakdown of the expenditures within an individual cost center, consult the complete City of Washington Budget document on file at Brown Library and the City Manager's Office.

**The operating budget is divided into several funds. Following is a description of the largest of those funds:**

### ***Electric Fund***

The portion of the city budget that accounts for the activities of Washington Electric Utilities. Rates charged for electricity account for most of the revenue. Expenditures go toward wholesale power purchases; system maintenance, improvements, and operations; and debt service for electric system improvements. The Electric Fund also reimburses the General Fund for services rendered, such as billing, collections, and information processing. Grants are made to the General Fund to fund projects that benefit the entire community, such as recreation and library facilities improvements.

### ***General Fund***

The portion of the city budget that accounts for the revenues and expenditures of governmental operations, including administration, police and fire protection, sanitation services, streets, drainage, parks and recreation, and library.

### ***Water Fund***

The portion of the city budget that accounts for revenues and expenditures of the city's water utility. Rates charged for water service account for most of the revenue. Expenditures go toward system maintenance and operations and debt service on water system improvements. The Water Fund also reimburses the General Fund for services rendered, such as billing, collections, and information processing.

### ***Sewer Fund***

The portion of the city budget that accounts for revenues and expenditures of the city's wastewater utility. Rates charged for sewer service account for most of the revenue. Expenditures go toward system maintenance and operations and debt service on wastewater treatment system improvements. The Sewer Fund also reimburses the General Fund for services rendered, such as billing, collections, and information processing.

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## **2.6 Budget Process**

The City's budget operates on a Fiscal Year (FY), July 1 through June 30. The City's annual budget process provides a framework for communicating major financial operational objectives and for allocating resources to achieve them. The process typically takes 6 months, from January through June. According to N.C. General Statutes, the City must adopt an annual budget ordinance, in which all funds are balanced by July 1 of each year. Outlined below is a calendar of budget events:

January - The city manager holds a budget planning session with City Council to set objectives and priorities for the upcoming FY.

The city manager meets with department heads to explain financial and operational objectives and priorities for the upcoming FY.

February - All departmental staff submits continuation and expansion budget requests to departmental managers that reflect the resources required to meet objectives.

March - The city manager and Finance Department review revenue estimates, particularly the State distributed and property tax resources.

The city manager and Finance Department review proposed pay plan adjustments and the impact on the budget for the coming year.

The city manager proposes expenditure and revenue adjustments necessary to balance all funds.

April - Based on the city manager's recommendations, the budget document is produced as a proposal to the City Council. Copies of the budget are filed in the public library and the City Clerk's office, and City's website for citizen's review.

April/May - City Council, city manager, and department heads hold budget workshops to discuss and review the proposed budget.

A public hearing is held to receive citizens' comments on the proposed budget presented to the City Council.

The budget document is adopted by June 30th.

Full implementation of the budget begins immediately on July 1. Ongoing monitoring of expenditures and revenues throughout the fiscal year is a responsibility shared by department heads, the city manager, and the Finance Department. Finance ensures that charges are correctly entered and that payments are appropriated. All funds are reviewed monthly.

Any time after the adoption, the budget can be changed through the amendment process. Any revision of the ordinance must be approved by the City Council.

#### Balance Sheets and Income Statements

Washington-Warren Airport <b><i>Balance Sheet</i></b> Period Ending 06/30/21			
Assets	\$16,049,429	Total Liabilities	\$89,663
Less Accumulated Depreciation	-\$5,013,052	Total Equity + Current Surplus	\$10,946,714
Total Assets	\$11,036,377	Total Liabilities + Equity + Current Surplus	\$11,036,377
<b><i>Income Statement</i></b>			
Total Revenue		\$365,212	
Expenses		-\$568,849	
Total Revenues Over/Under Expenses		-\$203,637	
(Doesn't include transfers from General Fund or Capital Contributions)			

Washington-Warren Airport <b>Balance Sheet</b> Period Ending 06/30/20			
Assets	\$15,564,155	Total Liabilities	\$37,616
Less Accumulated Depreciation	-\$4,846,502	Total Equity + Current Surplus	\$10,680,037
Total Assets	\$10,717,653	Total Liabilities + Equity + Current Surplus	\$10,717,653
<b>Income Statement</b>			
Total Revenue		\$366,313	
Expenses		-\$541,016	
Total Revenues Over/Under Expenses		-\$174,703	
(Doesn't include transfers from General Fund or Capital Contributions)			

Washington-Warren Airport <b>Balance Sheet</b> Period Ending 06/30/19			
Assets	\$9,792,091	Total Liabilities	\$40,122
Less Accumulated Depreciation	-\$4,713,829	Total Equity + Current Surplus	\$5,038,140
Total Assets	\$5,078,262	Total Liabilities + Equity + Current Surplus	\$5,078,262
<b>Income Statement</b>			
Total Revenue		\$285,532	
Expenses		-\$532,279	
Total Revenues Over/Under Expenses		-\$246,747	
(Doesn't include transfers from General Fund or Capital Contributions)			

Washington-Warren Airport <u>Balance Sheet</u> Period Ending 06/30/18			
Assets	\$9,134,184	Total Liabilities	\$29,818
Less Accumulated Depreciation	-\$4,566,085	Total Equity + Current Surplus	\$4,538,281
Total Assets	\$4,568,099	Total Liabilities + Equity + Current Surplus	\$4,568,099
<u>CAFR Report</u>			
Total Revenue		\$262,432	
Expenses		-\$438,140	
Total Revenues Over/Under Expenses		-\$175,708	
(Doesn't include transfers from General Fund or Capital Contributions)			

Washington-Warren Airport <u>Balance Sheet</u> Period Ending 06/30/17			
Assets	N/A	Total Liabilities	N/A
Less Accumulated Depreciation	N/A	Total Equity + Current Surplus	N/A
Total Assets	N/A	Total Liabilities + Equity + Current Surplus	N/A
<u>CAFR Report</u>			
Total Revenue		\$265,870	
Expenses		-\$366,717	
Total Revenues Over/Under Expenses		-\$100,847	
(Doesn't include transfers from General Fund or Capital Contributions)			

Washington-Warren Airport			
<b><u>Balance Sheet</u></b>			
Period Ending 06/30/16			
Assets	N/A	Total Liabilities	N/A
Less Accumulated Depreciation	N/A	Total Equity + Current Surplus	N/A
Total Assets	N/A	Total Liabilities + Equity + Current Surplus	N/A
<b><u>CAFR Report</u></b>			
Total Revenue		\$242,786	
Expenses		-\$309,183	
Total Revenues Over/Under Expenses		-\$66,397	
(Doesn't include transfers from General Fund or Capital Contributions)			

### *2.6.1 Population Stability*

The general population of Washington has not grown appreciably in several years. However, most current residents are attracted to the area's benign climate, which also contributes to the area's attraction for retirees. Real estate and general cost of living costs are lower than the State average, making the Washington area a very attractive place to live. Many people come to Washington with the intent of remaining long-term, but Washington is also a popular tourist destination. While jobs are not considered plentiful, the skill sets of the population base are more than sufficient to meet the requirements of local businesses and industry.

### *2.6.2 Transportation*

Multi-modal transportation opportunities can be major market drivers for the Washington area. The ability to move people, goods, and services efficiently through Washington is a key component in the logistics, tourism, resort, and manufacturing industries of the area.

Supporting the movement of people and things, Highway US 264 East/West is a four-lane divided highway that connects Beaufort County to Greenville and beyond to I-95 and I-40.

US 17 North/South is a four-lane divided highway through Beaufort County and partially four-lane to parts of Norfolk, VA, and Morehead City, North Carolina.

US 17 is a major thoroughfare; the North Carolina Department of Transportation (NCDOT) is in the process of widening 10 miles of US 17 from two lanes to four. The widening will extend from north of NC 171, Washington Bypass, in Beaufort County to south of Williamston in Martin County. The project is expected to be completed in 2023.

### **Railroads**

Rail service is provided by [Norfolk Southern Railroad](#) and [CSX Railroad](#). The [Carolina Connector \(CCX\) Intermodal Terminal](#) is in nearby Rocky Mount.

Norfolk Southern provides direct access to rail at the Beaufort County Industrial Park at Chocowinity.

### **Ports**

The major deep-water ports of Morehead City, North Carolina; Wilmington, North Carolina; and Norfolk, Virginia are within 90 minutes of Beaufort County:

[Port of Morehead City, North Carolina](#)

[Port of Wilmington, North Carolina](#)

[Port of Norfolk, Virginia](#)

Source: [beaufortcountync.gov/193/Transportation-Infrastructure](http://beaufortcountync.gov/193/Transportation-Infrastructure)

2.6.3 *Tourism Development*

The location of the City of Washington on the Pamlico River offers attractive opportunities for tourism within the region.

Tourism has historically been a significant part of this region’s economy. Washington, along with other communities in Beaufort County displays a great deal of preserved history that is easily accessible to visitors.

Boating, fishing, kayaking, and other forms of outdoor activities also help this area continue to be a destination.

Recently, The City of Washington’s Tourism Development Authority (WTDA) developed a marketing campaign strategy that has been very effective and resulted in significant growth in the region’s tourism industry. The marketing campaign, along with the City’s streetscapes renovation in the downtown area has raised interest in the City of Washington, triggering a cycle of business growth.

The City continues to raise its profile with a greater variety of dining and entertainment options.

The Tourism Development Board’s website, [visitwashingtonnc.com](http://visitwashingtonnc.com) traffic continues to increase, with visitors landing on that website from all regions of the country.

Visitor spending has been a significant contributor to the local economy:

Beaufort County Visitor Spending (millions)

2016	2017	2018	2019	2020
\$82.62	\$87.39	\$93.41	\$96.87	\$74.84

Washington TDA operates a Visitor Center in cooperation with the Chamber of Commerce. The Center tracks the number of engagements with visitors:

Year	Number of Engagements	Year	Number of Engagements
2013	5150	2018	8613
2014	7038	2019	9170
2015	6332	2020	3127
2016	7468	2021	6117
2017	8195	2022	4852*

\*Partial Year

#### 2.6.4 Educational Institutions

Education institutions play a significant role in developing the Washington economy. [Beaufort County Community College](#) has been effectively preparing students to enter the workforce with a variety of skills. In recent years, the Community College has instituted various training programs in cooperation with key industry sectors, such as the boat building sector, advanced welding skills, which are essential to certain manufacturing companies in this region, and various courses related to the agriculture sector which remains a key factor in the region.

East Carolina University (ECU), [ecu.edu](#), which is twenty-two miles from OCW, provides graduate and undergraduate programs including nursing, business administration, medicine, marketing, and others. The Greenville, NC campus enrolls over 20,000 students each year and maintains a policy of encouraging their graduates to live and work in Eastern North Carolina.

#### 2.6.5 Quality of Life Factors

The overall quality of life factors plays a major role in attracting people and businesses to Washington and pushing the market forward. In Beaufort County, economic growth has produced a very active housing market which has resulted in a short supply of available homes. The overall crime rate is relatively low, and the overriding environment of Washington indicates continued growth. Washington is widely viewed as a clean and safe place to live, work, and raise families.

#### 2.6.6 Community Demographics

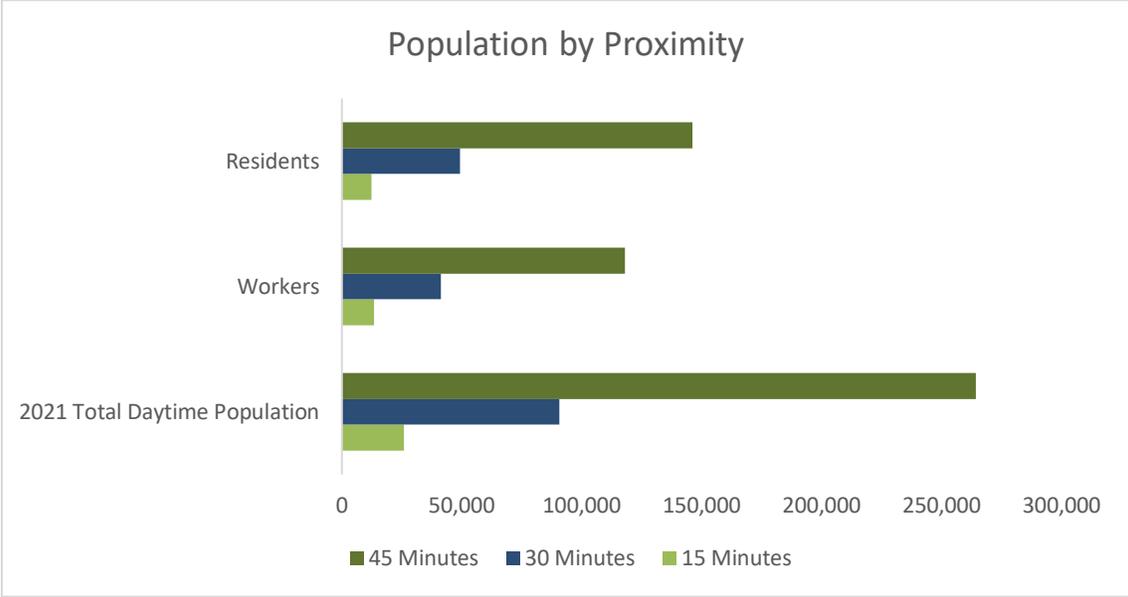
According to the 2020 U.S. Census, the City of Washington had a population of 9,875, 4,193 households, with 2.18 persons per household within the City limits.<sup>12</sup>

*Income:* In 2020, the Median Household Income for a family living in the City was approximately \$37,109 annually.

Although OCW is located near the City of Washington in Beaufort County, it is also within a region that has access to a greater workforce population across city and county lines.

The chart below shows population data in its proximity to OCW:

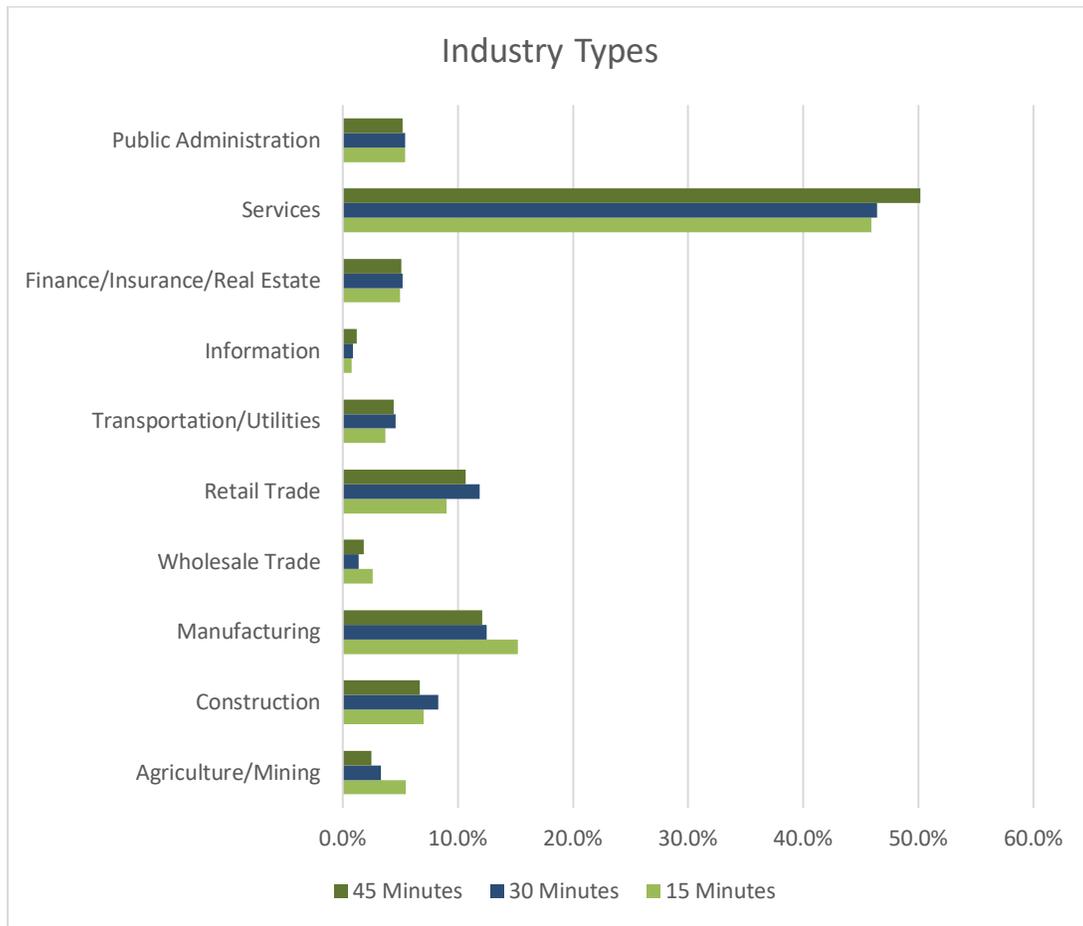
**Exhibit 2-5 Drive Time to OCW**



Source: <http://www.city-data.com/income/income-Washington-North Carolina.html>

The City supports several businesses and industries along with the tourism-related business. It is the principal retail center for the area serving Beaufort County.

**Exhibit 2-6** below indicates the principal industries and businesses in 2020 in proximity to the Airport:



Source: <https://flykocw.com/wp-content/uploads/2022/03/Airport-Community-Profile-15-30-45-Radii-02-16-22.pdf>

<sup>12</sup><https://www.census.gov/quickfacts/fact/table/washingtoncitynorthcarolina,beaufortcountynorthcarolina/PST0452>

### 2.6.7 Related Data and Sources

This Strategic Business Plan has utilized several sources and documents throughout the eight sections.

The Airport Strategy Team collects these sources and makes them available on the OCW website at: [flykocw.com/documentation/](https://flykocw.com/documentation/)

**Summary - Section 2**

- *Situational Analysis - Section 2 provides information on the city, county, and economic region in which OCW is situated to help define the Airport in context.*
- *This section provides an overview of the city and county demographics*
- *Defines the key industries in this region*
- *Provides workforce and employment data*
- *The availability of the workforce within 15, 30, and 45 minutes of OCW*
- *Provides economic data, including GDP listed by industry types*
- *Defines the City government structure and financial data.*

## SECTION 3 – AIRPORT INDUSTRY TRENDS

### 3.1 Introduction

Business levels at airports are influenced by national, state, and local factors. The state of the national economy, current trends in air travel, aircraft use, and new aircraft manufacturing all influence the volume and type of aviation activity that may occur at a general aviation airport like Washington-Warren Airport. Likewise, the state of the local economy, business activities, and other factors that serve to attract aircraft users and associated businesses are also key factors to consider. The combination of these influencers and the airport sponsors marketing and development efforts will determine the levels of aviation activity an area receives. This section explores airport industry trends and forecasts and discusses recent changes in aviation activity that influence the Airport's future.

### 3.2 National Aviation Trends

As the national economy recovers from the economic downturn promulgated by the Covid-19 pandemic, forecasters have projected that aviation overall will continue to feel the economic effects and growth will be slow over the next 6-18 months. Pent-up demand will certainly be a factor, as aviation activity had grown thru 2019 (see FAA Air Traffic by The Numbers, August 2020, p7). According to the FAA Aerospace Forecast, Fiscal Years 2016-2036, all segments of the industry including airlines and general aviation will continue to show growth in future years at a slow and measured rate as the national economy recovers.

### 3.3 General Aviation Trends

The general aviation market consists of two major elements – business/corporate, primarily jet/turbine-powered, and recreation/training, primarily piston engine. Though overall business travel in 2020 was down, safety concerns generated a boost in corporate activity. Piston aircraft flying is down, but a slow but steady recovery is expected in 6-18 months. According to the *FAA Aerospace Forecast, Fiscal Years 2016-2036*, while the general aviation industry has been essentially flat in recent years, in 2019 the industry experienced growth in deliveries over 2018. Flight operations from the staple of the general aviation industry – single-engine piston aircraft - continued to grow. Fixed-wing growth was 10%, but helicopters were down (see **Table 3-1**).<sup>20</sup>

<sup>19</sup> [faa.gov/data\\_research/aviation/aerospace\\_forecasts/media/FY2016-36\\_FAA\\_Aerospace\\_Forecast.pdf](https://www.faa.gov/data_research/aviation/aerospace_forecasts/media/FY2016-36_FAA_Aerospace_Forecast.pdf)

<sup>20</sup> *Ibid.*

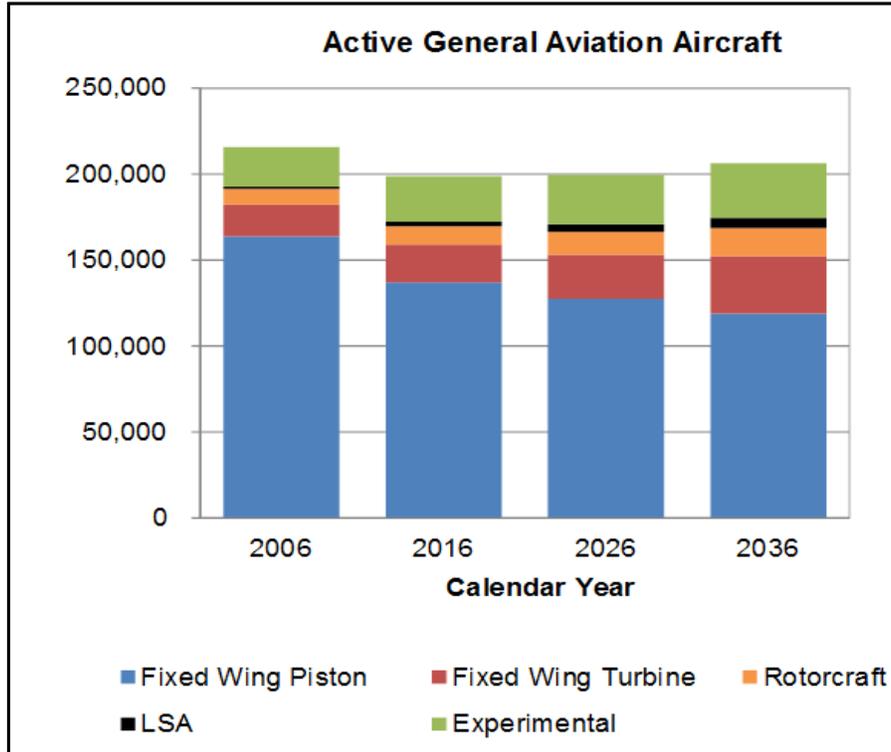
**Table 3-1 2019 Aircraft Shipments and Billings Compared to 2018**

<b>2019 AIRCRAFT SHIPMENTS AND BILLINGS COMPARED TO 2018</b>			
<u><b>AIRPLANE</b></u>	<b>2018</b>	<b>2019</b>	<b>%CHANGE</b>
Pistons	1,137	1,324	+16.4%
Turboprops	592	525	+15.1%
Business Jets	703	809	+1.6%
<b>Total Shipments</b>	<b>2,432</b>	<b>2,658</b>	<b>+9.3%</b>
<b>Total Billings</b>	<b>\$20.6B</b>	<b>\$23.5B</b>	<b>+14.3%</b>
<b>ROTORCRAFT</b>	<b>2018</b>	<b>2019</b>	<b>CHANGE</b>
Pistons	281	179	-36.3%
Turbine	754	698	-7.4%
<b>Total Shipments</b>	<b>1035</b>	<b>877</b>	<b>-15.3%</b>
<b>Total Billings</b>	<b>\$4.2B</b>	<b>\$3.8B</b>	<b>-9.1%</b>

Source: <https://gama.aero> 2020

The active general aviation fleet is projected to remain relatively stable with some changes in the mix. Note, an active aircraft flies at least one hour during the year (see **Exhibit 3-1**).<sup>21</sup>

### Exhibit 3-1 Active General Aviation Aircraft



Source: [https://www.faa.gov/data\\_research/aviation/aerospace\\_forecasts/media/FY2016-](https://www.faa.gov/data_research/aviation/aerospace_forecasts/media/FY2016-)

### 3.4 Other Aviation Trends

Other aviation industry trends in the U.S. include new emerging technologies and acknowledgment of the importance aviation has on the economy. Innovative technologies such as Unmanned Aircraft Systems (UAS), and the Next Generation Air Transportation System (NextGen) continue to expand in a positive direction. The aviation industry continues to be economically beneficial for the U.S., and for the state of North Carolina where it has been determined to contribute significant jobs and money, either by primary or induced impacts to the State. Both new emerging technologies and studies documenting the economic impacts of aviation indicate positive trends within the industry soon.

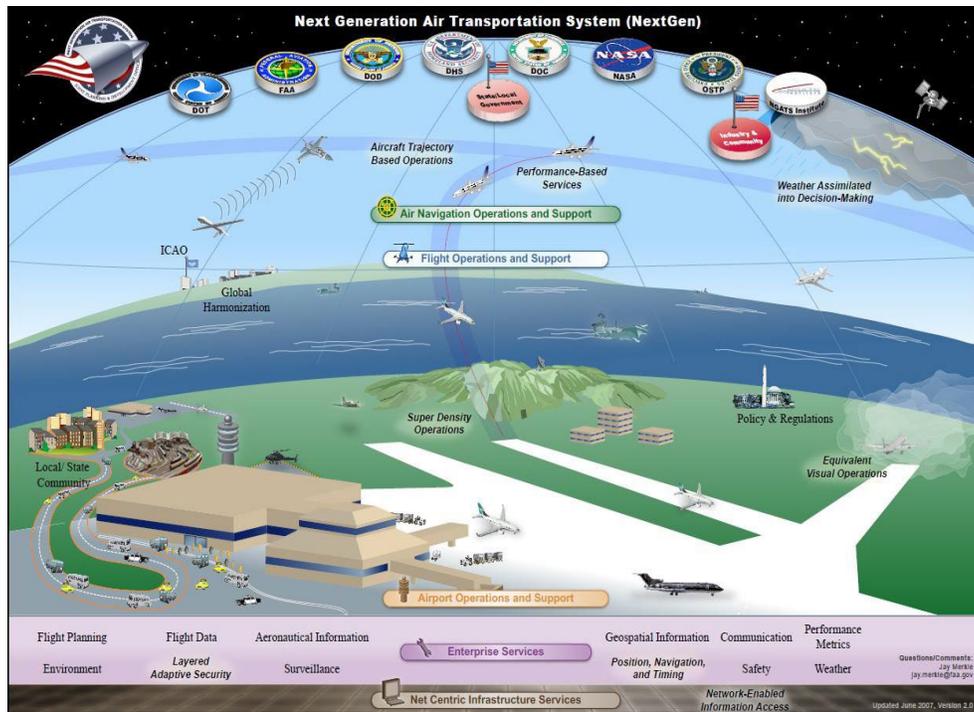
UAS takes on a wide variety of forms from very small machines to full-size aircraft platforms. Military applications initially gained the spotlight with the development of small hand-held machines for local surveillance, up to full-sized aircraft platforms capable of delivering an armament or surveillance package anywhere in the world. The commercial world has also recognized the importance of UAS for missions supporting research, communications, photography, package delivery, disaster relief, and agriculture. These will begin integrating routine operations into the NAS soon.

NextGen represents a new era in aviation transforming the NAS through modernization and improvements in air traffic management technologies and procedures, airport infrastructure and

navigation technologies, and environmental, safety, and security-related enhancements. ADS-B will impact traffic separation and control and improve traffic control in areas with limited radar control.

### Exhibit 3-2 Elements and Organizations Involved in NextGen Technology

Highlights the various elements and organizations involved in NextGen technology and operations.<sup>22</sup>



Source: <https://www.faa.gov/search/?omni=MainSearch&q=nextgen>

### 3.5 Regional and Local Aviation Trends

General Aviation active pilot certificates in the US are healthy (see FAA Air Traffic by The Numbers dated August 2020 p5). Growth in student pilot certificates in 2019 was particularly encouraging. The State of North Carolina is 10<sup>th</sup> in the nation for private and commercially rated pilots. Further, NC support for our seventy-two airports has been substantial and is expected to continue. This, coupled with our CNBC rating as the #3 state in which to do business, will help put our region on the short list for opportunities to solidify OCW’s economic footprint. Activity at the regional level and specifically at Washington-Warren Airport in recent years has seen growth in hangar leases; OCW’s hangars are full, there is a substantial waiting list for hangar space, and services have vastly improved.

Airport flight activity is an immediate measure of health. Though takeoffs and landings are on the rise, it is important to recognize that aircraft operations at airports with an air traffic control tower reflect actual counts that are logged by air traffic control. For non-towered airports such as

Washington-Warren Airport, airport operations are more difficult to track and are often comprised of estimates or extrapolations of actual counts made by airport management and staff. This is being addressed by a new system that has been installed at OCW that will track ADS-B-equipped aircraft operations. Current data reveals approximately two hundred take-offs and landings per month. As of the time of this writing, older aircraft, and military aircraft, which do not have the ADS-B equipment installed onto the aircraft, are not as accurately tracked.

*[http://www.faa.gov/nextgen/media/general\\_aviation.pdf](http://www.faa.gov/nextgen/media/general_aviation.pdf)*

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### **3.6 Trends Analysis**

The analysis of aviation data for the Washington-Warren Airport in recent years has been inconsistent. Many general aviation airports have shifted focus away from the small aircraft market to a substantially larger corporate aircraft market; the Washington-Warren Airport will likely embrace this trend while maintaining the small aircraft feel that is the critical foundation for our aviation industry. This facility is in an excellent position to solidify both elements of the general aviation market with expanded basing of the piston and corporate aircraft driven by a recovering economic environment and the continued growth of area businesses that utilize GA aircraft for management and customer access. There is significant interest in private and state investment to expand the hangar space, both corporate and piston T-hangars, to accommodate verified market needs. A factor here is aircraft maintenance, currently in infancy, and flight training, currently planned but not yet formalized. Additionally, local military training/operations from Cherry Point, New River, USCG-Elizabeth City, and Pope AFB frequent OCW and revenue fueling/operations opportunities are possible.

### *Summary – Section 3*

- *General aviation activity will resume the upward trends existing before the pandemic of 2020-2021, especially in corporate and rotorcraft markets.*
- *Unmanned Aircraft Systems will continue to develop and integration into the National Airspace System has already begun.*
- *OCW has maintained activity through the pandemic and has strengthened its reputation in the flying community over the last four years.*
- *OCW is ideally positioned to capture private and public investment to expand the hangars and infrastructure needed to increase based aircraft and serve transients.*

## SECTION 4 – MISSION, VISION, VALUES, AND GOALS

### 4.1 Introduction

This Section establishes a range of Goals for the Airport based on its mission, vision, and values Statements, a “Strengths, Weakness, Opportunities, and Threats” (SWOT) analysis, and an analysis of the practical implications associated with each of those options. The following sections describe the details of that process and ultimately, the identified markets and related programs that will be important for the future development of the Airport.

### 4.2 Mission Statement

An understanding of the local government and Airport environment and each of their unique perspectives are essential to the development of a viable ASBP for the Airport. This constitutes an understanding of the basis for formulating a mission direction and concise vision that creates the framework for the development of an appropriate ASBP study. The purpose of the Washington-Warren Airport Mission Statement is to define the organization’s purpose and primary objectives. These statements define the basis of the ASBP and give direction for its development. The basis for the Mission Statement was drawn from several sources including input from the ASBP and Airport management. Individual comments and input from members of this group were instrumental in the formulation of a draft Mission Statement for the Airport. From this initial work, a final statement was developed that clearly defined the input of all the working group members and Airport management.

The following identified areas represent a compilation of the workshop input by those members and a Stakeholder Survey:

Washington-Warren Airport is known for:

- Being a “Pilot Friendly Airport”
- Friendly staff and tenants
- Multiple runways
- Instrument approaches
- Pilot activities and seminars
- Cultivated a culture of camaraderie
- Aircraft are safe and secure
- Lower aviation fuel prices
- “Five Star” customer reviews on pilot websites

***Washington-Warren Airport stands out from the competition:***

#### ***The OCW Advantage***

- Ease of access
- Friendly, professional staff – Five Star Reviews on Pilot Websites
- Competitive fuel prices and Titan brand fuel system and fuel trucks
- Excellent land lease pricing and incentives
- Washington-Warren Airport never floods
- Lower taxes than surrounding counties

- Location (close to beaches) and growth region
- Airport Development Investment Grant Policy (ADIG) for private investment
- Airport within an Opportunity Zone
- Recently refurbished runway, taxiways, and aprons (2020)

***Washington-Warren Airport Excels at:***

- Adaptability to business needs
- Business support
- Competitive fuel costs
- Convenience to users
- Flexibility
- Involving the community
- Outreach to the business community
- Quality and customer service

Washington-Warren Airport wants Customers to:

- See Washington as a destination, as well as a great stop-over airport
- Look forward to returning
- Feel their assets are safe and secure
- Feel welcome
- Consider OCW to have “Premiere Customer Service” and southern hospitality
- Share their great experience with others
- Know that the Airport is a smart place to invest in their business
- Think of Washington-Warren as a great place for local general aviation camaraderie and services
- Know that OCW Airport is stable, managed well, and has a smart plan to grow
- Know that OCW Airport values their business

After consideration of each of the elements listed above, the ASBP working group formulated a Mission Statement that best describes the mission of Washington-Warren Airport.

**Washington-Warren Airport Mission Statement**

The Mission Statement captures the intent of the Airport to grow into the future as a safe, secure, and responsible facility that serves as an economic engine to achieve those desired economic opportunities sought after by the community and region. To fulfill the intent of its Mission Statement, the Airport must build on its current foundation and improve its capabilities into the future to accommodate those goals for operational effectiveness and economic opportunities set forth by the Airport and community.

***The Washington-Warren Airport provides a safe, secure, and welcoming airport where the economic environment drives aviation opportunities for both resident and business communities.***

The Mission Statement provides a general description of what the Airport will become in future years. Maintaining the community’s core values, establishing an appropriate vision for the future,

and developing practical and obtainable objectives provide a road map for accomplishing that mission.

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### 4.3 Vision Statement

A Vision Statement for the Airport is an assertion or image of the ideals of the Airport in the future that helps to inspire and empower the organization's stakeholders. The Vision Statement is used to project the Airport into the future and to visualize its ideal state.

#### Stakeholder Survey

The following identified areas are a compilation of the workshop input by the working group members of elements important to the Vision Statement:

#### *What is the Human Value in the Development of Washington-Warren Airport?*

- A highly efficient airport and a productive tax base
- The efficiency of time and location
- Employment
- Home-town feel
- Ideal location to develop an airport-related business
- Privacy
- Recognition by the community of the value of the Airport
- The people who run and own businesses at the Airport are the keys to success

Identify what Washington Airport and its Customers and Other Stakeholders Value most about the Organization

- Development potential
- Ease of travel for air commerce
- Efficiency and low-cost services for airport users
- Location
- Tax base

#### *What Does Success Look Like?*

- Employment in and around the airport
- Aviation-related Corporate Park and catalyst for the region
- Creating significant return on investment
- Develop and maintain adequate infrastructure
- Economic magnet
- Increased corporate traffic
- More business to the Airport
- Name recognition
- Operating a successful and profitable airport facility
- Sustainability

- Erasing local and regional borders

The Vision Statement is the organizational tenet upon which the vision for the future of the Airport is predicated and is developed to answer questions such as:

- How is this interpreted and translated into a vision for the future of the Airport?
- What does this mean in terms of what the airport is expected to look like in 20 years?

While the Airport will continue to accommodate a broad spectrum of general aviation users, the Airport will maintain its long-established primary focus on business aviation. Ideally, the Airport of the future will be an integral part of the City, with a focus on public safety and consistent, high aesthetic standards for buildings, landscaping, signage, and superior services. The working group's consensus was that when you are in the city, be it at the Airport or anywhere else in Washington-Warren Airport, you will know you are in Washington-Warren Airport; there will be a strong sense of place, supported by a welcoming culture.

***Washington-Warren Airport is committed to becoming a regional hub of regional aviation business activity, and economic development, and a gateway to the region's attractions.***

The Vision Statement provides descriptions of the City's vision for the future of the Airport. These are mainly aspirational, examples of what could be done and not necessarily what will be done.

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#### 4.4 Core Values and Value Proposition

A Values Proposition Statement communicates to the community, airport users, and all others, the values of the airport. Based on the working group input and the outcomes of the Mission and Vision Statements, the following draft Value Proposition Statement was proposed:

Washington-Warren Airport Core Values are:

- Always maintain the highest level of safety
- Encourage community involvement
- Strive to always provide professional and courteous service
- Aspire to build a progressive airport business climate by promoting investment and opportunities consistent with the nature of the community
- Value our environment and strive to maintain sustainable growth

An organization's value proposition is, after in-depth analysis, its proclamation of the benefits, costs, and values it believes it can deliver to its customers, prospective customers, and stakeholders within and outside the organization. The City's Value Proposition for the Airport is to exemplify the general aviation industry's "best business practices," while maintaining consistency with the City's own "best product" Value Proposition, emphasizing innovation and creativity. The Airport will provide services to its customers, prospective customers, and stakeholders that will be clearly recognized as of such quality that they will be willing to pay a premium for those services, if

necessary. The Airport will not always be the lowest-price service provider, but it will provide services of high quality that customers will ask for it by name.

Thus, the City's Value Proposition for the Airport is:

***Become an industry-leading general aviation airport serving the needs of aviation commerce and general aviation by: Aspiring to build a progressive airport business climate by promoting investment and opportunities consistent with the nature of the community, and by always maintaining the highest level of safety, providing professional and courteous service always, being actively engaged with the community, valuing our environment, and striving to maintain sustainable growth.***

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#### **4.5 Washington-Warren Airport – Future Possibilities**

This section is intended to describe the ideal general future vision and direction that the City of Washington would like to see for the Washington-Warren Airport and identify some of the challenges that will be met along the way. Generally, the Airport sponsor builds, maintains, and improves common-use infrastructure: particularly the runway, taxiways, certain navigational aids, airfield lighting and guidance signs, perimeter fencing and access controls, and general utilities including water and sewer. Whenever possible, the Airport leverages its own capital investments with grant funding obtained from NCDOA and any other sources that may be available. The Airport has not traditionally built hangar facilities, shops, and office spaces. That type of development has taken too long to occur, due to funding limitations, and should be built using private funding, most often in the context of a ground lease agreement. It is for this reason that the City has offered the Airport Development Grant and Opportunity Zone expediting through Beaufort County Economic Development (BCED). This does not mean that the Airport could not or would not ever participate in a hangar development project, but it would be a departure from the historical manner of Airport development, and it would presumably require a compelling reason to do so or a substantial infusion of funds into the Airport.

In some circumstances, the Airport may partner with a private developer, improving common-use infrastructure to facilitate desirable private development. Another key consideration is that most Airport development is market-driven: in the absence of sufficient demand for a particular project, there is little incentive to build, either for the Airport or (especially) for a private developer seeking a return on investment. On the other hand, not every project should be evaluated or executed based solely on the prospects of its financial return: if that were the case, there would be no public parks, aircraft viewing areas, or public art amenities of the type that have long been much valued by the City's community. Different measures of value surely apply to these kinds of projects; return on investment is not the only measure of success.

The complexity of building and maintaining a successful airport is why many municipalities determine it is best to allow an Airport Authority to direct the affairs of the Airport. The City management has considered transitioning to an Authority run Airport and encouraged Airport Management to manage the Airport towards that possibility.

The City's ideal Airport of the future would accommodate a wide, diverse variety of aviation users and uses. Airport businesses would provide a comprehensive range of aviation products and services. The Airport would provide high-quality amenities for tenants, pilots, passengers, and visitors; it would be a pleasant place to work or visit, with a strong sense of community and a professional and friendly atmosphere. Beaufort County boasts several boats and manufacturers, and if additional land farms bordering the Airport which connects to NC HWY 17, an industrial park of sorts would generate enough funds to make the Airport self-sustaining. The Airport's stakeholders and the surrounding community would take great pride in the Airport. The Airport and City would coordinate to promote and take advantage of local attractions, amenities, and events. The Airport and the City would be the destination of choice for a wide spectrum of general aviation users.

The Airport of the future would ideally have an area designed as a Jet Park to support Corporate and personal jet aircraft. A second area should be to grow a community of aviation enthusiasts and aircraft owners of piston aircraft. This area would feature new T-hangars and a host of amenities including a self-service fueling installation, an aircraft washing facility, public tie-down spaces for visiting aircraft, an executive terminal with pilot weather and flight planning facilities, maintenance facilities, and perhaps aircraft viewing and special event areas for the public.

The Airport of the future would have a "front door" facility serving as the gateway from the Airport to the community and from the community to the Airport. This "front door" facility would be distinct, uniquely recognizable, emblematic of the Airport, and reflective of Washington-Warren Airport's unique culture of creativity. Additional branding elements to help define the Airport of the future would include way-finding signage and iconic structures that are distinct and instantly recognizable as "Washington-Warren Airport." The Airport would also have elements that are attractive and accessible to the general public as well, such as public art, and aircraft viewing areas with hospitality features such as an airport restaurant.

The Airport of the future will have a strong business presence. It will be an engine for economic development not just for the City, but for the entire region. The Airport will partner with the City's Economic Development Department to attract aviation-related business to the City. The Airport will also partner with the Economic Development Departments of neighboring communities to support their programs to attract, retain, and grow businesses.

The Airport can be the regional leader and model for best practices among general aviation airports and will be an asset in which the community will take immense pride.

The few airports that can boast of such success have two primary common denominators. First is an Authority with strong aviation ties. Second is a strong private/public partnership with a Fix Based Operation (FBO). These two factors, combined in a business-friendly municipality, give the airport a competitive advantage that sets them apart.

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## **4.6 Strengths, Weaknesses, Opportunities, and Threats (SWOT) Analysis**

The preceding Sections have presented an extensive amount of information about the Airport, its current markets, and the status of the aviation industry. While the compilation of this type of data

is critical to the ultimate success of any planning effort, the challenge for most business plans is how to take the information that has been generated and use it most effectively. Due to the amount and diversity of data that has been gathered in the study area, a SWOT analysis has been conducted to strategically summarize the information.

Generally defined, a SWOT analysis is a standard strategic business planning tool used to identify the strengths, weaknesses, opportunities, and threats associated with a particular action or area. The SWOT analysis involves specifying an objective or an object (in this case the Airport) and identifying the internal and external factors that are favorable and unfavorable for that object being successful in a given environment. For this ASBP, the following sections summarize the SWOT analysis factors related to the Airport that provide the greatest indicators of the Airport's current condition.

The SWOT process was initiated by gathering the ASBP working group together to conduct one of the most important elements of the building of a strategic business plan - the SWOT workshops. This workshop provided a venue for the working group to input their diverse perspectives on the unique elements of the Airport and the future development of the ASBP. The SWOT analysis workshop isolated and categorized actual and perceived strengths and weaknesses of the Airport and its organization from an internal perspective and opportunities and threats from an external perspective. As noted in the workshop:

**Strengths** – internal items accomplished particularly well or unique assets of the Airport or the organization, especially in comparison to competitive and comparable airports or organizations.

***Strengths need to be preserved, built on, and leveraged.***

**Weaknesses** – internal items that: (1) are not accomplished particularly well; (2) hinder or prevent desired performance; or (3) are acutely lacking or need to be improved.

***Weaknesses need to be addressed and remedied.***

**Opportunities** – external items that could help realize the mission and vision for the Airport. Opportunities may be identified by studying changes or trends within the industry, the marketplace, or the community.

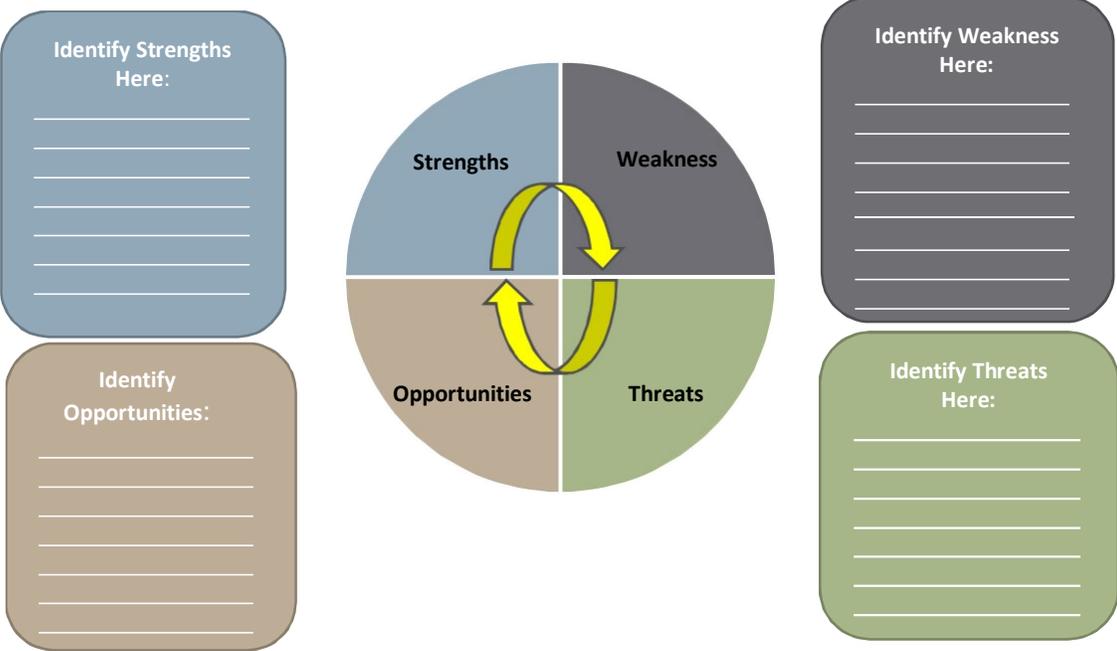
***Opportunities need to be seized or capitalized on.***

**Threats** – external items that could threaten the realization of the Airport's mission and vision. Threats are typically identified by studying changes or trends within the industry and the local marketplace.

***Threats need to be managed or, if possible, eliminated.***

The following matrix depicted in Exhibit 4-1 shows the inter-relationship between the various SWOT elements and how they work with each other.

**Exhibit 4-1 Washington-Warren Airport SWOT**



*Source: Airport Corporate Research, Report 77, sponsored by the Federal Aviation Administration. Library of Congress Control Number 2012948352 © 2012 National Academy of Sciences*

<i>The Washington Warren Airport Working Group Identified the Following Categories to be Utilized in the Airport's SWOT Determinations</i>	
<b><i>Strengths</i></b>	<b><i>Opportunities</i></b>
Upgraded Runway/ Taxiways	Increase Corporate Traffic
Available Land – 579 acres	New Terminal and Development Space
Business-friendly	Business/Industrial Park
Community Support	Focused Advertising
Convenience	Airport Development Investment Grant for hangar development
Infusion of \$20 million for Airport Infrastructure Improvements	High Hangar Rental Demand
Opportunity Zone	Land Development
Fueling Capability	Current Favorable Airport Fee Structure
Low Flood Risk (has never flooded)	
Competitive Leasing Program	
Room for Expansion	
Strong Leadership	
Favorable Tax Rates	
Proximity to the city and waterfront	
<b><i>Weaknesses</i></b>	<b><i>Threats</i></b>
Aging Population	Regional Airport Competition
Incomplete Infrastructure	Limited Staff
Not yet revenue neutral	Lack of Infrastructure, (utilities)
Lack of Available Hangars	Waning General Aviation Interest
Short Runways	
No Maintenance Facility	
No Scheduled Public Transportation	
Regional Airport Competition	
Responsiveness to a business environment must be further developed	

#### **4.7 Goal Preparation Using SWOT**

The findings of the SWOT analysis served as the basis for the development of Goals that realize the Mission and Vision of the Airport. Table 4-1 presents a summary of those working documents used with the Airport Working Group to facilitate the development of goals for the Airport. The following SWOT Matrix describes how the Airport can leverage its strengths to take advantage of its stated opportunities. It also addresses the Airport's weaknesses and threats and the best available course of action to overcome them.

**Table 4-1 Washington-Warren Airport (OCW) SWOT Matrix**

<b>Internal</b>	<b>Strength (S)</b>	<b>Weaknesses (W)</b>
<b>External</b>	S1 Available areas of Growth	W1 Lack Focused Marketing Plan
	S2 Upgraded Runway/Taxiways	W2 Poor Runway Surface
	S3 Opportunity Zone	W3 Requires Active Marketing
	S4 Strong Leadership	W4 Funding Issues
	S6 Low Flood Potential	W5 Incomplete Infrastructure

<b>Opportunities (O)</b>	<b>SO Goals</b> <i>(that leverage strengths to take advantage of opportunities) Quadrant One</i>	<b>WO Goals</b> <i>(address weaknesses &amp; take advantage of opportunities) Quadrant Two</i>
O1 New Facilities	1. Build New Facilities/Terminal	Increase Corporate Traffic
O2 Existing Aviation Business	2. Expand and Develop/Specialty Air Services for General Aviation and Corporate	High Hangar Rental Demand
O3 Infrastructure & Runway Strength Improvements	3. Improve infrastructure by capturing funding sources	New development/funding plan to achieve infrastructure upgrade.
O4 Funding Opportunities Available for Airport Projects	4. Improve relationships with FAA and other funding sources	
O5 Strong Support from the Town, Economic Development Dept., and Rotary Club		5. Develop and implement Airport Marketing Plan

Threats (T)	ST Goals (that leverage strengths to manage/avoid threats)  Quadrant Three	WT Goals (that address weaknesses to manage/avoid threats)  Quadrant Four
T6 Shrinking General Aviation Market	6. Market additional flight services & businesses	8. Implement Marketing Plan
T7 Regional Airport Competitors	7. Advertise the advantages of doing business with Washington-Warren Airport	OCW Advantage

#### 4.7.1 Smart Model Goals Evaluation

A SMART Model is designed to assist decision-makers with goal development by evaluating each proposed goal against specific standards, which help assure the completeness and continuity of those proposals. A SMART Model worksheet was developed and applied to each of the eight goals identified by the working group and Airport management to assist with evaluating these Goals and assuring that each met the SMART criteria (25).

**Specific** – Is each goal simply stated, straightforward, and compelling?

**Measurable** – Is each goal tangible, able to be tracked, and identifiable when a final solution has been reached?

**Attainable** – Is each goal possible to accomplish without being too burdensome? Is it reasonable?

**Relevant** – Is the accomplishment of each goal relevant and meaningful to the Airport? Does it tie in with the Airport’s core values and general mission?

**Time Bound** – Does each goal have a beginning and end point? Is it identified with a viable time frame for accomplishment?

After a general discussion of the identified Goals and reaching an agreement that each stated Goal satisfied the SMART Model criteria, the detailed analysis of the GROW Model was applied to each of those goals.

#### 4.7.2 GROW Model Goals Evaluation

The GROW Model worksheet was designed to help refine the stated goals using the Goal, Reality, Options, and Will model. The GROW Model was applied to each of the stated goals. Generally stated, each element of the GROW Model is described as follows:

**Goal** – A goal is a statement of a desired result, outcome, or level of attainment that needs to be reached to realize the mission and vision for the airport. All goals need to be SMART goals.

**Reality** – This component focuses on the current state of the Airport. It includes an assessment of the current reality of the situation at the Airport, the magnitude of the work that needs to be accomplished, and the people who need to do the work.

**Options** – This component focuses on identifying the various ways to achieve a specific goal. An analysis of the alternatives and the issues, challenges, problems, and risks associated with each option can be used to help identify the most appropriate alternative.

**Will** – This component focuses on determining whether or not the resources will be available, and whether the people will be ready, willing, and able to perform the tasks necessary to achieve the goal. There is a subjective element to this decision as Airport directors and policymakers will need to assess the readiness, willingness, and ability of others to make and keep a commitment to achieve the goal.

Each of the eight identified Goals was subjected to a detailed analysis of the GROW Model, and specific information and requirements for each were applied and analyzed.

After the GROW Model evaluations of the stated Goals were complete, it was determined that most of the Airport’s Goals centered around the development and implementation of a Marketing Plan, and related marketing and development efforts for specialty areas of the Airport. Of equal priority were facility goals to improve the Airport’s infrastructure, and new business development.

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## 4.8 Prioritized Goals

Utilizing the SMART and GROW models, the Airport has identified eight primary Goals from the ASBP. Since many of the goals are related, such as those tied to future marketing efforts, several Goals may be pursued simultaneously, depending on the availability of resources to do so.

Prioritizing the Airport’s Goals requires the careful consideration of several factors such as:

- Which of the goals do you need the most, and how quickly do you need them?
- Consideration must be given to the cost of achieving each Goal.
- Can the City afford a Goal now, or should it be moved down in priority when required?
- funds may be more available?
- Which Goals are the most essential to future airport development, and should they be moved up in priority?

Even though Goals have been prioritized, in practice, it may be necessary to pursue more than one Goal at a time, or in parallel with each other. An example of Goals that should be pursued in parallel might be to develop a new marketing plan and identify new funding opportunities for infrastructure improvements. In the case of the Airport, an immediate need to market the Airport to new business opportunities exists now.

However, the Airport’s infrastructure does not currently meet the requirements that new business is likely to bring. Thus, both Goals need to be pursued simultaneously.

After the eight initial Goals for the Airport were selected, the ASBP working group prioritized them based on considerations of need, cost, and the ability to accomplish each in a timely manner. The results of that prioritization are shown in **Exhibit 4-2**.

**Exhibit 4-2 Washington-Warren Airport Prioritized Goals**

Priority	Goals
1	<p><b>Goal:</b> Develop a comprehensive marketing plan for Washington-Warren Airport</p> <p><b>Justification:</b> This goal is necessary for the identification and recruiting of new future businesses and operators for the Airport.</p>
2	<p><b>Goal:</b> Improve working and political relationships with Federal, State, and Local funding agencies</p> <p><b>Justification:</b> Building a positive image of Washington-Warren Airport and the City of Washington by maintaining high standards of conduct and fiscal responsibility to facilitate greater opportunities for future traditional funding will improve working relationships.</p>
3	<p><b>Goal:</b> Identify new funding opportunities for infrastructure improvements</p> <p><b>Justification:</b> Traditional State funding sources as utilized in past years are insufficient to meet the timing of future required infrastructure development. Additional sources of funds must be developed or identified.</p>
4	<p><b>Goal:</b> Increase Fuel and Services sales to General Aviation and Corporate aviation customers</p> <p><b>Justification:</b> Additional marketing of sales and services will heighten the profile of the Airport and increase operating revenues.</p>
5	<p><b>Goal:</b> Attract new air services to Washington-Warren Airport</p> <p><b>Justification:</b> This goal speaks to continued efforts to attract additional General Aviation and Corporate aircraft to the region.</p>

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## 4.9 Community Stakeholder Interviews

To gain insight into the perspectives of individuals associated with the OCW, surveys were conducted through a distributed form with airport tenants, local government, City officials, and members of the general public. This was patterned after an NCDOT survey used in for other state-controlled facilities. The goal was to ensure the key issues facing successful OCW development are recognized and addressed. Those interviewed were encouraged to discuss experiences they have with the Airport, as well as suggestions for future needs/actions that would be beneficial to future operation and opportunities. While perspectives varied (as expected), there were common responses and issues that should be addressed for OCW to move forward and thrive.

Facilities/infrastructure comments were frequently noted by responders. Positives included the good runways, high-end GA terminal, and friendly/accommodating staff. The lack of a precision approach (ILS), hangar availability, and on-site maintenance are shortcomings. The suggestions for a restaurant and UNICOM responses were noted.

Several valid marketing suggestions were made. Several felt that improved information/access to the city/local interests would be helpful. It was generally felt that an effort to secure additional businesses located on the airport property would improve desirability as a destination/en route stop and improve the airport's financial health. A concern is that the local community does not really know much about the airport, may believe it has no real value to the City, surrounding area, or both.

Financial constraints and the limitations of current City and Airport budgets were acknowledged. Funding for routine repairs and matching funds for State sponsored capital projects have been inconsistent in the past. A cohesive strategy to expand the lessor base and solidify City budget support would stabilize the ledger. Noted is that the general economy and the future of General Aviation has a major impact on all airports.

Other key points and information obtained during numerous additional direct interviews were also factored into the formulation of Strategic Plan.

***Summary - Section 4***

- Section 4 provides information on Washington-Warren Airport’s Mission, Vision, Value and Goals
- Core Values, along with the Airport’s Value Proposition are also detailed in this section
- OCW’s future possibilities were detailed. This portion of Section 4 provides insight into the Airport Strategy Team’s planning prior to learning of the state funding that was awarded in December 2021
- A detailed SWOT analysis – Strengths, Weaknesses, Opportunities, and Threats
- Goal Preparation Using SWOT
- A summary of the Community Stakeholder Survey that was conducted third quarter 2021

## SECTION 5 – AIRPORT DEVELOPMENT FACTORS

### 5.1 Introduction

It is important to understand the current function of the Airport as it exists today and compare it against its expected role in the future. The City of Washington owns OCW, but the airport's business is regional by the very nature of its activities and reach. In many aspects, the airport acts as a conduit for economic impact into the city in much the same way as highways and marinas.

This section is dedicated to a more in-depth look at the elements influencing businesses at Washington-Warren Airport, an analysis of the future activity forecasts, and a discussion of the existing facilities and tools that the Airport can bring to bear to support future business development. A number of these discussions will also indicate the need for improvements or additional services beyond what currently exists, to adequately address future needs.

### 5.2 Washington Warren Airport Market Drivers

Economic factors that influence the local economy in the City of Washington and Beaufort County also influence the activity levels at Washington-Warren Airport.

New business development, along with the growth of existing businesses in our region, will directly affect the airport's activity. Beaufort County Economic Development Department targets boat manufacturing and Aviation/Aerospace industries. At the time of this writing, there are nine (9) boat and yacht manufacturers in Beaufort County. The Airport plays an important, strategic role in accommodating buyers and potential buyers of this industry.

The airport's management has identified significant demand for additional hangar space and quantified this demand with a *waiting list*.

Airport Operations, take-offs, and landings are key measures of the airport's activity. Not only is this activity directly tied to fuel sales but is also representative of business or leisure visitors.

Increasing our runway length and adding a precision approach is the next obvious step toward increased larger jet operations. Lengthening the runways to the recommended 5,600 feet will accommodate this important aircraft class. Larger jet aircraft require longer runways to have adequate accelerate/stop distances required by the FAA and company S.O.P. Washington-Warren Airport is currently on the Strategic Transportation Investment Plan (STIP) to lengthen one of its runways, and this grant program does not require matching funds from the City. At the time of this writing, the Division of Aviation (DOA) is considering OCW for this Grant.

### 5.3 Washington Warren Airport Future Forecast

The current Airport Business Strategy Plan indicates that Washington-Warren Airport will see limited, but steady growth in based aircraft and annual operations throughout the span defined within this plan. This growth is primarily driven by the Airport's aggressive marketing plan, as well as the existing facilities at the Airport.

Business and corporate activity are projected to expand based on the current level of interest. The airport's published attributes, known as the OCW Advantage create an active interest in either relocating to this airport or launching new endeavors.

### The "OCW Advantage"

- OCW is not in a flood plain. Washington-Warren Airport **never floods**. Your investment is safe and secure
- Very competitive fuel prices
- Five Star Premier Customer Service. Highly trained staff in five Star Customer Service assist pilots, owners, and passengers. Read reviews on AirNav.com & Foreflight
- Two active runways
- \$6,000,000 refurbishment of one active runway and all taxi ways in 2020
- Conveniently located near the City of Washington, which has completed its redevelopment and has become a popular tourist destination
- Competitive land lease rate. \$0.28/sq. ft. w/first 5 years waved if you build the first year
- Proposed road and sewer infrastructure requested to be financed by the NC Department of Commerce Infrastructure Development Fund.
- The Airport is implementing several infrastructure improvement projects recently made possible by a \$20 million award from the State Assembly

As the market develops in future years, many of the products and services currently provided by the Airport will need to be expanded and improved upon to accommodate future growth.

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## 5.4 Aviation Products, Services, And Facilities

Washington-Warren Airport offers several services and facilities to the general aviation community. Some of the major elements of Washington-Warren Airport services are listed below:

### 5.4.1 Aviation Fueling Facilities

The airport fueling services on the airfield provide both 100LL Avgas and Jet A fuels to both based and transient aircraft operators. The airport also provides parking and hangar services, pilot supplies, and courtesy transportation services.

The fuel storage capacity is adequate for current levels of business. It is not anticipated that an expansion in fuel storage capabilities will be necessary for the foreseeable future.

### 5.4.2 Hangar Facilities

The airport has 21 T-hangars available to lease, locate within five (5) hangars. These hangars will fit single-engine aircraft and smaller twin-engine aircraft. Before 2017, there was an excess of six (6) vacant T-hangars, and anecdotal feedback from potential tenants indicated the annual automatic increases in monthly rent and disrepair of the hangars were the reasons the hangars remained unleased. Airport management recommended a decrease in rent until repairs could be made, and

City Council approved this action. Within three (3) months, all hangars were leased, upgrades and repairs were completed, and a waiting list was created. As of October 2022, there are Twenty Nine on the waiting list.

There are six (6) box hangars on the Airport, two (2) of which (Hangar D and E) are privately owned by Vidant Medical Group and a private aircraft owner. The Maintenance Hangar, (A and B), is a 50' X 100' hangar that was built before 1958 and has been divided in two with a wall separating the two ends.

Although many requests to lease corporate hangars are received, there are no vacant hangars to fulfill these requests, resulting in lost revenue. As the Airport grows and continues to experience a shift in use from smaller aircraft towards larger and heavier corporate aircraft, additional structures may become necessary. Generally, owners of larger corporate aircraft prefer to have their aircraft Hangared in times of harsh weather, heat, or extended periods of stay. If a maintenance service provider chooses to operate at the Airport, they will also need to provide structures capable of accommodating larger aircraft that may require heavy maintenance out of the weather. The locations of these larger facilities should be carefully considered and placed in areas that are convenient to the user and perhaps adjacent to other services that may be required.

#### *5.4.3 Terminal Building*

Washington-Warren Airport currently has a relatively new and attractive terminal building, along with an annex building. The terminal building offers amenities such as a modern conference room, a pilot lounge, and restrooms. The annex building is not currently in use and is available for lease.

The terminal building was opened in May 2015 after a storm destroyed the previous terminal building, which was located in the same place as the current terminal building. The terminal is a two-story building that includes a conference room with a modern projector and screen, an operations area, a galley, a pilot lounge, and a pilot briefing room. Immediately north of the terminal building is a block building referred to as the Annex Building. This building houses the vault which controls all airport light equipment. Within this building is a small office space, an open area, a single downstairs restroom, and a larger open area upstairs. This space could be utilized by a flight school, flying club, or other aviation-related business.

#### *5.4.4 Support and Maintenance Facility*

The Airport does not currently have a dedicated support and maintenance facility. OCW intends to attract or incubate a maintenance operation and may have done so before the release of this plan.

#### *5.4.5 Airport Access and Vehicle Parking*

The surface transportation network providing Airport access includes US Route 17, North/South, and US Route 264 for East/West access.

Drive time to Washington-Warren from Greenville, NC is approximately thirty minutes via US Route 264 and approximately two hours from Raleigh, NC along the same route.

Nearby, the City of Washington's Waterfront Dock facilities provide water access and are 2.5 miles from the Airport.

Parking at the Airport is free-of-charge and accommodates 10 vehicles.

The general infrastructure of Washington-Warren Airport has developed over the years to meet the needs of the current business and operations levels. While the existing infrastructure is considered adequate for today, many of its systems will need to be upgraded and expanded to facilitate future growth. Much of the information following in this section outlines upcoming projects that were recently funded by the North Carolina State Assembly.

For more information on the funding, along with the summary of projects, follow these links:

The press release announcing the \$20 million award:

[https://flykocw.com/wp-content/uploads/2022/05/Washington-Warren-Airport-Awarded-20-Million-in-State-Funding\\_Titan.pdf](https://flykocw.com/wp-content/uploads/2022/05/Washington-Warren-Airport-Awarded-20-Million-in-State-Funding_Titan.pdf)

City of Washington resolution delegating duties to the Airport Advisory Board:

<https://flykocw.com/wp-content/uploads/2022/05/City-of-Washington-Resolution-Washington-Warren-Airport-12.13.21-002.pdf>

City of Washington resolution in support of improvements to the Airport:

<https://flykocw.com/wp-content/uploads/2022/05/City-Council-Resolution-to-NC-Legislators.pdf>

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## 5.5 Key Projects

Following are the key projects planned. The implementation schedule, along with the projected impact of these projects is addressed in later sections.

Runway 17/35 will have shoulder pavement refurbished, which will eliminate the risk of Foreign Object Damage (FOD) to aircraft props or jet engines caused by loose gravel. The shoulders will be milled and repaved once the runway lights are installed. None of the airfield paving will cost the City, but will instead come from the State appropriated funds, and deferred maintenance of the airfield will continue to be the responsibility of the Division of Aviation.

### 5.5.1 Utilities

Gravity sewer, internet, 3-phase electricity, and water are required for the planned corporate and T-hangar sites. The same utilities will be necessary for the future Aerospace Industrial Park. The initial funding for these utilities will be from funds appropriated by the legislator and will not require any investment from the City. Once the new facilities are complete, these will generate revenue for the sewer, water, and electric department of the City.

### *5.5.2 Airfield Pavements*

Additional taxiways are required to gain access to future Jet Hangar and T-Hangar Park sites. These critical infrastructure needs are funded by the State appropriated funds and will not require any investment or matching funds from the City. Once the hangar sites are accessible by aircraft, hangars can be built, which will generate revenue for the Airport, either by land lease, hangar lease, and sale of aircraft fuel.

Runway 17/35 will have shoulder pavement refurbished, which will eliminate the risk of Foreign Object Damage (FOD) to aircraft props or jet engines caused by loose gravel. The shoulders will be milled and repaved once the runway lights are installed. None of the airfield paving will cost the City, but will instead come from the State appropriated funds, and deferred maintenance of the airfield will continue to be the responsibility of the Division of Aviation.

### *5.5.3 Airfield Lighting*

Currently, the only runway that is lighted is 5/23. This project will install new lighting on taxiways and the crosswind runway 17/35 which is not currently lit. Shoulder refurbishment is included in this project and will allow the lights to be placed within the paved shoulders and will aid in maintaining the field. City funds are not required for this project, but will instead come from the State appropriated funds, and deferred maintenance of the airfield will continue to be the responsibility of the Division of Aviation.

### *5.5.4 Aeronautical and Marine Industrial Park*

North Carolina is rated at #3 in the nation when it comes to Aerospace Manufacturing. Beaufort County currently has nine (9) boat or yacht manufacturing facilities in the immediate vicinity. Purchasing and marketing the 107-acre parcel adjacent to the Airport's runway 5/23 will eventually bring economic development, with associated jobs to the community. Funds from land leases and land sales will soon make the Airport a profit center for the City. There is no cost to the City. Funding for this purchase will instead come from the State appropriated funds.

### *5.5.5 Airfield Signage*

The main Airport entrance sign will be replaced with a design that harmonizes with the City of Washington design specifications. This project will include wayfinding signs that also conform to city standards.

### *5.5.6 Precision Approach*

An instrument landing system is also one of the scheduled projects. This will improve safety and lower the FAA minimum altitude and visibility for flights into Washington during harsh weather. Surveys are required to locate and remove obstructions to the flight of aircraft landing and departing from the airport. None of these surveys or adjustments of OCW's approaches will require

City funds, but will instead come from the State appropriated funds, and deferred maintenance of the airfield will continue to be the responsibility of the Division of Aviation.

#### *5.5.7 Runway Extension*

The current 5,000 ft. runway is scheduled to be extended to 5,600 ft. to accommodate larger aircraft. Larger aircraft require longer runways to safely land and take off. The lengthening of the runway will not require City funds but will instead be funded by the State appropriated funds, and deferred maintenance of the airfield will continue to be the responsibility of the Division of Aviation.

#### *5.5.8 Corporate Hangar with Office Facilities*

There is currently a high, unmet demand for hangar space in eastern North Carolina. There are currently 4 jets on a waiting list for space. Additionally, transient jet traffic virtually always requests to be hangared. This is a dependable revenue source for the Airport. This project will be funded through State appropriated funds, and revenue from this hangar and additional jet fuel sold will aid the Airport in becoming self-sustaining. No City funds are required.

#### *5.5.9 Refurbish Medivac Maintenance Hangar*

The existing Medivac hangar will be refurbished. The existing Medivac hangar is inadequate for the current tenant. The tenant has agreed to pay additional rent if the hangar is refurbished. By refurbishing this hangar, the rent can be raised approximately \$2,000 per month which will aid the Airport in becoming self-sustaining. This project will be funded through State appropriated funds and will not require City funding.

#### *5.5.10 Aerial Application Loading Apron*

That Airport services agricultural aviation to a significant degree. A new 100' X 200' apron will enhance OCW's ability to service this sector. This project will be funded through state-appropriated funds and will not require City funding. Deferred maintenance of the airfield will continue to be the responsibility of the Division of Aviation.

***Summary – Section 5***

**The Business Strategy projects steady growth due to:**

- *Aggressive marketing*
- *The “OCW Advantage”*
- *Aviation Products, Services, And Facilities*
- *Hangars*
- *T-Hangars*
- *Fuel*
- *Terminal*
- *Outline of Airport Infrastructure Plan*
- *OCW receives \$20 Million in state funding, in December 2021*

## SECTION 6 – AIRPORT BUSINESS DEVELOPMENT

### 6.1 Introduction

Section 6 expands upon the information contained in Section 5 pertaining to existing aeronautical activities and infrastructure into an analysis of future business development opportunities and configurations. An evaluation of existing economic development centers located both on and adjacent to the Airport is provided, followed by a discussion about appropriate zoning to help achieve future business development.

The results of this analysis help to identify appropriate economic zones for future development that are compatible with both Airport operations and other activities immediately adjacent to it. This provides an overview of existing businesses and services at the Airport and within the City that are conducive to driving future development and identifies specific business types and their associated marketing requirements that the Airport wishes to attract in the future.

### 6.2 Current Business Configurations

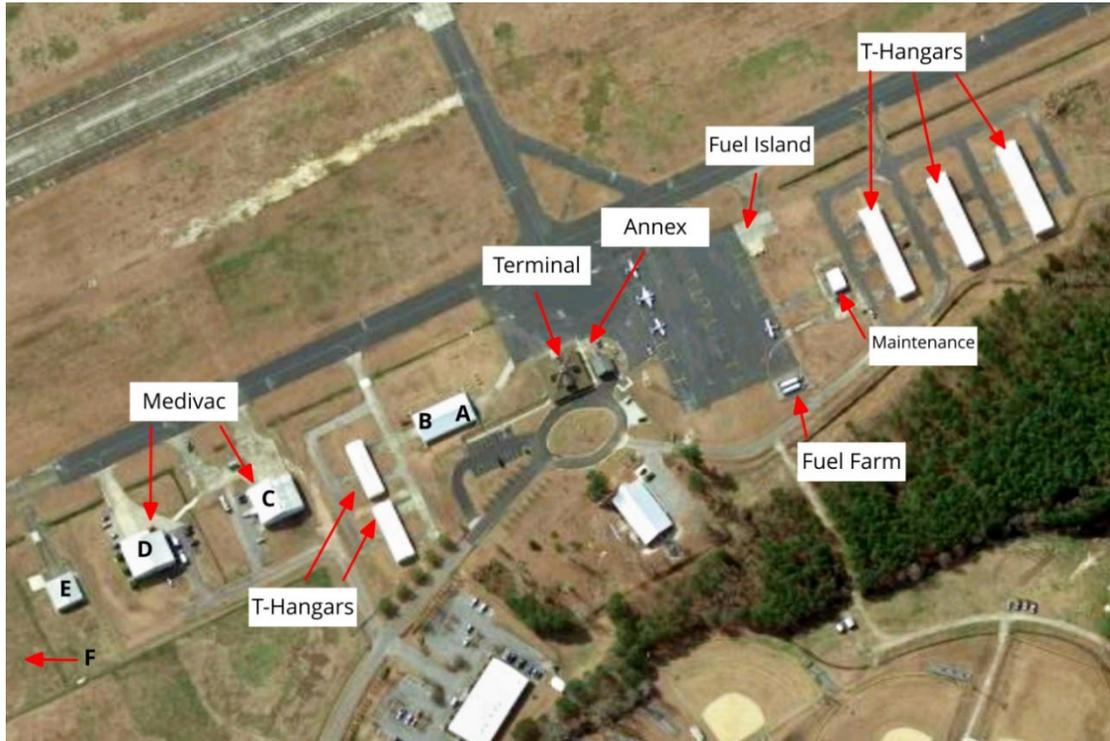
Washington-Warren Airport is surrounded by farmland to the west, Springs Road to the north, Market Street to the south, and the County sports complex to the east of its boundaries. Airport Road tees into Market Street divides the Airport with the Sports Complex, and currently dead ends at the terminal building, which is situated midway of Runway 17/35.

The FAA has Runway 5/23 as the primary runway, meaning this is the one runway they recognize and will fund the required maintenance. The decision on which runway is selected as the primary runway is determined by historic wind direction data that is collected and recorded on what is called a Wind Compass. Runway 17/35 is what is called the crosswind runway. A crosswind runway is desirable for all airports for the fact that it gives the pilot more options to land into the wind. Although it is desirable, the FAA does not deem it as required. In practical terms, the FAA will not fund major repairs to crosswind runways, so most of the maintenance costs fall to the airport sponsor.

Both ends of the primary runway 5/23 have challenges when considering lengthening the runway. Runway 23 is close to Springs Road. The terrain opposite the end of the runway, runway 5, falls away quickly and is at the edge of the City. A National Guard Armory is also located near the end of runway 5.

Runway 17/35 is considered by many a preferred runway. There are fewer obstructions for pilots to consider. At the time of this writing, the Airport is considering purchasing the field on the approach end of runway 35. The 35-acre lot has been used for row crops and would allow ample room to extend the runway length; purchasing the land would also ensure no additional housing would encroach on the Airport. Currently, there are ongoing discussions with the property owners on the approach end of runway 17 regarding tall pines on their property that have grown tall enough to enter the airspace within the glide path of the approach to runway 17.

### Exhibit 6-1 Washington-Warren Airport Terminal Area Infrastructure



### 6.3 Airport Development Areas and Recommendations

There are several categories of aviation-related businesses that have the potential for developing a General Aviation airport into a sustainable contributor to City and County economies. Site infrastructure, services (e.g. power, water/sewer, internet connectivity, road access, drainage), market-focused suitability, and competitive performance are all crucial to fostering this critical mass. Having a vision for the investment is critical, as well as the flexibility to capitalize upon opportunities that develop and complement the airport, local, state, and national economies.

There is a widespread in these opportunities, including investment, probability of success, and timing/ultimate value of revenue stream. Business Development is at the same time targeted and broad, with outcomes both welcome and disappointing. To that end, a successful strategy must be invested in human and financial resources to adequately sustain multiple projects and reinforce promising/high-value ventures.

Following is a discussion broke down into key areas that have the collective potential to establish a robust balance sheet while preserving the critical mission of enhancing the national Aviation System. Under each item will be an assessment of:

- A. description of the item
- B. perceived importance/value to the overall vision, impact
- C. what impediments/barriers exist to achieving the goal
- D. marketing plan (who, what resources, how, what outlets/form)

- E. timeline
- F. priority (categorized as essential, desirable, or opportunistic)
- G. revenue potential range.

### *6.3.1 Reputable General Aviation aircraft maintenance facility*

- A) This would be a private commercial entity located on KOCW.
- B) In addition to the revenue stream from facility leasing and taxation on the invoices, it creates an incentive for fly-in business (scheduled and unscheduled), fuel sales, increased interest in basing a/c on the field, and is necessary for serious flight training school
- C) It will need a 2-3 airplane hangar with bathrooms (a suitable one exists), internet access, and tie-downs that are suitable/available, and must be competitively in the market. Whether a start-up or an established entity, negotiated financial incentives (attractive leasing terms/waivers) are likely needed to locate KOCW and gain a foothold. Except for en-route problems that resulted in an unscheduled stop for resolution, this kind of business is very reputation driven and might take some time to become established. Further, qualified Airframe and Powerplant (A&P) technicians are in short supply and this area does not have local talent (so will need to move to the area).
- D) Shops typically market through trade pubs and aviation network vehicles, in addition to word-of-mouth reputation. Support from the Airport Manager and State/local economic development resources can be additive. Ideally, a marketing plan would be created and shared between the business entity, airport, and local economic development resources to foment collaboration.
- E) There is a temporary shop already in place in the hangar proximate to the terminal building, but it is not expected to be the entity that is ultimately needed. This should be done very soon, in the order of 6-12 months.
- F) This resource is considered absolutely essential for the short- and long-term economic health of a healthy GA airport.
- G) The rent/lease potential is \$600/month and up. Taxes on parts and labor will also contribute to County revenue, which will likely track overall airport growth and business success.

### *6.3.2 Aviation Repair Station (avionics)*

- A) This type of FAA-qualified Repair Station facility services, repairs, and installs upgraded avionics and performs periodic transponder certifications. Also will install recent FAA-required navigation equipment such as ADS-B capability.
- B) Avionics is one of the most expensive and innovative elements in the GA environment.
- C) There are no avionics Repair Stations in our geographical area. Such a business will need test benches and at least a two-plane hangar with bathrooms and internet access that is suitable, available, and competitively priced. Both a start-up and an established entity will likely need

financial incentives to locate OCW. Except for en-route problems that resulted in an unscheduled stop for resolution, this kind of business is very reputation driven and might take some time to become established. Further, qualified avionics technicians are in short supply and this area does not have local talent (so will need to move to the area).

- D) Typical marketing through trade pubs and aviation networks, plus collaboration by Airport Manager and State/local economic development resources, will be needed. Support in the form of marketing plan assistance, transient brochures, and website listing will be valuable. Attractive leasing terms and start-up waivers will aid initial profitability.
- E) This could be accomplished in 12 months.
- F) Having an on-field avionics capability is highly desirable and would set OCW apart from most rural airports.
- G) Revenue will be in the form of a hangar and/or shop rent at ~\$500/month initially. Taxes on parts and labor will also contribute to County revenue, which will likely track overall airport growth and business success.

### *6.3.3 Aviation Repair Station (airframe, components, engines)*

- A) This facility would service, repair, and install airworthy components/upgrades, as well as perform airframe repairs. Depending on the focus, it mostly involves assembly/machining/testing of mechanical components and possibly sheet metal and composites. This could be a combination manufacturing and installation facility.
- B) The mechanical parts of airplanes require constant care and maintenance. In addition to the airframe, many components are not only ‘on condition’, but must comply with specific overhaul requirements. These shops rely on a quality reputation, competitive turn-time, and competitive pricing. A new start-up or relocation of an established entity is possible – both having advantages and disadvantages.
- C) It will need a workshop and possibly a hangar w/bathrooms and internet access, that is suitable/available and competitively priced. A start-up or established entity will likely need financial incentives to locate OCW. Except for en-route problems that resulted in an unscheduled stop for resolution, this kind of business is very reputation driven and might take some time to become established. Further, qualified mechanical technicians are in short supply and this area does not have local talent (so will need to move to the area).
- D) Typical marketing through trade pubs and aviation networks, plus collaboration by Airport Manager and State/local economic development resources, will be needed. Support in the form of marketing plan assistance, transient brochures, and website listing will be valuable. Attractive leasing terms and start-up waivers will aid initial profitability.
- E) This could be done on the order of 24 months.
- F) Having an on-field component capability is desirable and could set OCW apart from most rural airports.

- G) Revenue will be in the form of ~\$500/month initially. Taxes on parts and labor will also contribute to County revenue, which will likely track overall airport growth and business success.

#### *6.3.4 Aviation-related manufacturing/technology center*

- A) This could be in the form of an original equipment manufacturer (OEM) of aerospace hardware and or system technology. Strategic goals of control of sensitive technologies are in our national interest and will drive domestic sourcing/control. The economic opportunities for basing these entities in the US have recently been highlighted as our production base has been compromised by supply chain challenges. This recognition, combined with the favorable business climate in North Carolina and Beaufort County, creates opportunities for an expanded revenue footprint for OCW.
- B) The successful incubation of such an entity will create the footprint for the expansion of co-located businesses. The impact is not unlike the aviation-oriented Global Transport Park (GTP) in Kinston, NC, and the Research Triangle Park (medicine/computing) in the Raleigh area. This vision is extremely optimistic but has enormous potential with an impact that could create existing and emerging technology Centers for Excellence.
- C) The investment in time and public/private business incentives is considerable and will require a concerted effort by Business Development operatives. Further, the potential value of this strategy is not assured, as other economic development entities are similarly engaged. The labor pool for trained employees in aerospace disciplines is limited, and the need for relocation of human resources will need to be addressed. The competition with other airports could potentially be fierce, requiring agility and united cooperation among the public/private/educational sectors to succeed.
- D) This effort must be coordinated with the Airport Director, TDA, BCED, City of Washington, NC Legislature, local and State development entities, FAA, NC Commerce Department, BCC, and others. Federal/State funding to facilitate infrastructure and land is needed (and has been authorized). The project plan has been defined and is in place within a two-year timeframe with oversight by the AAB.
- E) Depending upon unforeseen opportunities/setbacks, this has a two to a 10-year timeline.
- F) This effort has very high and is essential to create the economic critical mass to move OCW into revenue health. As opportunities arise efforts to weigh and capture will require review and resource allocation within the limits of prudent evaluation/risk/reward.
- G) The revenue from these developments is immeasurable, but not instantaneous.

#### *6.3.5 Industrial Park*

- A) Many potential manufacturing entities desire convenient access, basing, and even co-location to their and their customers' business aircraft.

- B) This appeals to several existing and potential manufacturers (e.g. high-end boat builders). The OCW mission is to serve the local flying community, including (but not limited to) recreational, business, and emergency services, while maximizing financial health and contribution to the City. The expanded capability afforded by this investment can be a key driver for these manufacturers.
- C) Additional land must be acquired (done) and the infrastructure (e.g. utilities) must be funded (done) and in place (underway). The investment in time and public/private business incentives are considerable and will require a concerted effort by Business Development operatives. Further, the potential value of this strategy is not assured, as other economic development entities are similarly engaged. Simultaneously, this plan must be broadcast to targeted lessors as progress is made.
- D) The marketing strategy is hand-in-hand with the efforts described in ‘Item 4) Aviation-related manufacturing/technology center’, above. This effort must be coordinated with the Airport Director, TDA, BCED, City of Washington, NC Legislature, local and State development entities, FAA, NC Commerce Department, BCC, and others. Federal/State funding to facilitate infrastructure and land is needed (and has been authorized). The project plan has been defined and is in place within a two-year timeframe with oversight by the AAB.
- E) Depending upon unforeseen opportunities/setbacks, this has a two to a 10-year timeline.
- F) This effort has very high and is essential to create the economic critical mass to move OCW into revenue health. As opportunities arise efforts to weigh and capture will require review and resource allocation within the limits of prudent evaluation/risk/reward.
- G) The revenue from these developments is immeasurable, but not instantaneous.

### *6.3.6 Establish a flight training school*

- A) Flight training for initial or successive Pilot’s Licensing is under strict regulation by the FAA. It is approved as a part 61 (private pilot) and/or part 141 (directed at commercial/transport pilots including ab initio training). A possible tie-in with Beaufort Community College and/or the co-located STEM facility might be a fruitful collaboration.
- B) Flight school operations is one of THE most active flying markets for smaller GA airports like OCW. Has a huge impact on fuel sales, is a draw to quality aircraft maintenance, and increases government interest/support. More pilots mean more aircraft, a heightened public awareness/profile, and an increase in the tax base.
- C) Private pilot numbers are dwindling with fewer student starts. If the activity increases, some local residents will be uncomfortable with increased plane noise. For commercial pilot career objective students, airlines’ need for pilots is cyclical. Beaufort County and the surrounding area are not particularly aviation-oriented, which limits local interest in attaining a pilot license, but many flight schools have succeeded by marketing to a broader base (including international students – known as ‘ab initio’ training).

- D) This business will require a marketing plan which will likely focus on trade pubs and aviation networking. Support from the Airport Manager and the use of State/local economic development resources will be critical, including an offer of attractive leasing terms/waivers during startup.
- E) A small operation has been initiated, but a serious flight school will take 2-10 years to get established, depending on scope.
- F) This is desirable and the payoff is significant
- G) Revenue will include a lease on management office and classroom space, tie-downs for aircraft, and potentially hangars. Rates could be \$500 to \$5000/month, the increased business tax base, and housing for students.

#### *6.3.7 Establish a maintenance mechanic (A&P) school*

- A) Essentially all airplane mechanics must be licensed by FAA. Training is often associated with established education entities (e.g. Beaufort Community College and/or STEM Center). There is a classroom and practical (hands-on) element that is well-established and technically rigorous.
- B) There is a continuing need for mechanics to maintain the huge inventory of private and commercial aircraft in the US. Though at times boom and bust, the industry has identified a predicted shortage once the market recovers.
- C) Schools require significant hangar space w/offices, classrooms, bathrooms, parking, and strong internet access. BCC has been approached, but had declined to add to its program; doesn't want to compete w/Craven County.
- D) To determine priority, inquiries to local Community Colleges or Trade Schools will determine if there is interest.
- E) Given the lukewarm response thus far, this is not an immediate goal.
- F) This is opportunistic and will require a champion in the educational system.
- G) Though the revenue is in the form of economic impact to the nation's aviation system is considerable, the impact to OCW is not immediate.

#### *6.3.8 Create the facility/infrastructure for 'base of operations' for*

- wildlife management/monitoring
- fire watch monitoring
- environmental monitoring
- disaster relief
- A) This is typically done on an as-needed basis and by various governmental agencies (e.g. NC Wildlife, NC Forest Service) and the private sector (e.g. Ducks Unlimited, National Wild Turkey Federation). Operations close to the area of interest are vital for this work. For

monitoring, private contractors are often employed to fly ‘grids’ on a schedule and report as defined. Some areas have regular schedules, some are engaged during special operation/data needs, such as during high fire risk warnings (hot and dry), migratory seasons, and . Environmental monitoring is typically done on an as-needed basis and usually are governmental agencies. Disaster relief is a common mission during hurricane season.

- B) The tiedown fees and bump in fuel sales provide revenue and this activity can strengthen the perceived value of the airport to the local community (especially sportsmen).
- C) There is no significant investment in facilities needed (fueling is in place and ramp space is available) unless a large and sustaining operation occurs. Sufficient staging space, access to the road system and taxiway, and runway length are critical. KOCW is already in a good position – no serious impediments except disaster relief efforts may need open hangar space. USNG Armory, if decommissioned, would necessitate an alternate solution. OCW will need investment in backup generators in case of loss of power during a disaster, to operate the fuel system, terminal, and possibly airport lighting for night ops.
- D) These agencies and others need to be made aware that OCW is receptive and interested in this kind of service. Ground access is good, flooding is extremely rare, and our airspace is not controlled (allows for greater flexibility).
- E) This can happen now, whenever the opportunity/need arises.
- F) The priority is essential and is already part of OCW’s operational footprint. The expansion will be opportunistic as needs arise. Closing of NG Armory would elevate this to a higher priority for disaster relief.
- G) The revenue from operations such as these can be \$500-3000 per month (tiedown, fuel sales, local amenities for pilots. Etc.).

#### *6.3.9 Aerial application (Ag plane) base of operations (permanent and temporary)*

- A) The airport has been and can expand the hosting of aerial application operations.
- B) North Carolina’s number one industry is agriculture. Aerial application (crop dusting) of fertilizers, insecticides, and herbicides is often required.
- C) OCW already hosts ag operations, but is limited and hindered because of a lack of facilities (such as maintenance), a dedicated wide apron to fuel and fill the hopper/tanks, and ready access to road vehicles.
- D) Marketing to the close-knit ag community will likely be through local farmers and agriculture media platforms. Some of our local pilots are farmers and are active in Civic activities here and in Raleigh. There is a strong commitment in the NC State government to ensure the health of our agriculture which improves the opportunity for state grants.
- E) This is already a minor part of the activity at OCW, but in 2-4 years could be substantial.

- F) This is a desirable element of the Strategic Plan
- G) Rent: Currently, \$150/day/plane. Future, same, for a longer duration. Opportunity for year-round hangar lease, if one was available.

#### *6.3.10 Corporate hangar expansion*

- A) Corporate aviation is one of the highest revenue elements of GA airports. They generally have large, high build standard hangars, some with light maintenance and private amenities for business travelers. The footprint is often 6000 square feet or greater and privacy/safety is a high priority.
- B) Corporate aviation is a significant element of GA airport operations because it is expensive and the airport revenue (taxes, fuel purchase, etc) is considerable. Profit on Jet A fuel is double AvGas fuel. It is also a factor in businesses that are considering location here in the City and County area. The use is often for management (local and remote) business travel and also for customer visits to the local facility.
- C) Corporate aviation departments want to locate at an airport that is accessible to their office/facility, has sufficient runway/taxiways to accommodate their equipment and operations guidelines, and has reliable poor weather landing aids (precision approach). On the financial side, they seek a competitively-priced leasing contract and responsive airport management. If a suitable hangar is not available, they will build the hangar(s) if the funding, incentives, and terms are attractive and the utilities (water, sewer, power, internet) are in place and ready to connect. Unfortunately, Washington-Warren has been evaluated several times in the last few years as a home to corporate aviation businesses but has not been chosen for a variety of reasons. The City must be capable of creating a competitive business offer within time constraints. Broad decisions and leasing offer boundaries need to be already in place before negotiations commence. Further, support for Grants and economic development incentives need to be augmented by City resources.
- D) The Airport has worked with Beaufort County Economic Development to create such incentives (OCW Advantage) and has a Land Lease Template in place to expedite the lease process. BCED has added Aerospace to its Targeted Trades. Airport management and the Tourist Development Authority have collaborated to create a marketing packet highlighting OCW. It would be beneficial for the BCED office to locate in the Airport Terminal for the BCED office.
- E) This infrastructure is underway and new hangars should be available in late 2022.
- F) This is essential and therefore a very high priority. Substantial resources should be committed.
- G) Revenue potential \$.28/sq.ft. land lease; ownership of the facility falls to City after 20 years. Plus increased tax base and fuel sales. The impact this will have on the economic development opportunities augmented by having a vital proximate airport I incalculable.

### *6.3.11 Additional T-hangars for the waiting list (20ea.)*

- A) OCW has six separate nested T-hangars buildings with a total of 30 individual hangars. These house smaller piston aircraft mostly for private use. In 2016, there were 6 vacant t-hangars and 2 vacancies in the box hangar (Hangar A and B). There is currently a waiting list of 21 aircraft, hampered by availability. The pricing structure is competitive and the environment at OCW is very ‘pilot friendly’.
- B) Additional T-hangars would bring aircraft to OCW, which in turn brings additional tax base, and fuel sales grow aircraft maintenance business/avionic businesses, and creates other markets like aircraft cleaning services, electric service, and local economic impact as people spend more time in Washington.
- C) The City can’t afford to build needed hangars, and private investment has been hampered by convoluted economic incentives. Infrastructure (e.g. taxiways, power and water connections) has to be put into place (funded by the airport) prior to construction.
- D) The Airport is currently working with BCED to use OCW Advantage marketing to draw private investors to OCW and show them the economic viability of investing and building the T-hangar capacity to meet the demand.
- E) Driven by investors, this need to happen in 1-4 years
- F) This is an essential priority for OCW’s long-term health.
- G) Revenue includes a lease of \$290/month/building (8 hangars), cost ~\$900K/nest of 8 is privately funded, plus electric utility fees payable by the renter to the City.

### *6.3.12 Expand military ops by Outlying Landing Field (OLF) designation*

- A) An OLF provides an approach/landing/takeoff facility for military aviators to practice/train off-base. Cherry Point Marine aviators do this now at OCW with their Osprey Tiltrotor, but not often and they rarely leave the runway.
- B) Providing a receptive landing site cements the relationship with our armed forces, opens jet fuel sales potential, and supports essential aviation service that is an advantage in government funding allocations. Further, when the airport hosts events for the general community, the probability of having a military aircraft visit (fly-by, landing, static display) is enhanced.
- C) There is no real investment needed, but pilots need to be set up with a payment card for fueling if this can be authorized by the squadron base
- D) meetings with key military training operations officers (e.g. Cherry Point, ECCG Station)
- E) This could expand in 1-9 months
- F) The priority of this service is desirable in the Strategic Plan.

G) Revenue could be jet fuel sales (\$500/fillup).

### *6.3.13 TDA/Chamber of Commerce gateway/welcome center/kiosk*

- A) This is a means of introducing, promoting, and marketing the strengths of Washington/Beaufort Co. as soon as people arrive in the terminal building. It is much like a highway rest stop/welcome center or our Washington City Docks welcome bag.
- B) Like Beaufort County Economic Development, a collaboration between the Airport and TDA is crucial to success. First impressions of Washington/Beaufort County are often made at the Airport. The goal is to show Washington as a destination, not just pass through.
- C) A kiosk (literature holders) and possibly a dedicated TV screen must be positioned and stocked with relevant content and brochures, maps, and magazines. Collaboration between Airport and interested parties (e.g. restaurants, lodging, shopping, museums) is critical.
- D) This effort is underway with the Airport Director, Airport Authority Board, TDA, and Washington's Rotary Club and CoC.
- E) This will be fully resourced by Summer '22.
- F) This is an essential priority.
- G) The projected revenue is real, but hard to quantify.

### *6.3.14 Expanded aviation events (e.g. fly-in, Wright Flight, camping) and outreach (e.g. Easter egg drop, concerts)*

- A) These are events hosted by the airport that promote and expose the community to the world of aviation. Some will be aviation-themed, but some simply use the airport as a venue. They may be sponsored by other entities, public and/or private.
- B) This enhances the image of the Airport and contributes to public relations goals. It can have a financial benefit and promotes Washington as a destination for aviation or family fun.
- C) During larger events, there is a lack of parking. Some events require more hangar space than is available. Historically, the City has been marginally supportive of events staged at the airport, but that is improving.
- D) Marketing of these events will be the responsibility of the event sponsor(s). The airport manager and staff will augment as needed. For aviation-specific events (i.e. fly-in), the Airport takes the lead.
- E) These activities were in progress pre-covid. A recent City-sponsored concert was a success, and more will come forward as interest develops.
- F) This is a desirable effort that will engage on an opportunistic basis.

G) The projected revenue is real, but hard to quantify.

#### *6.3.15 Aviation-themed restaurant – annex building?*

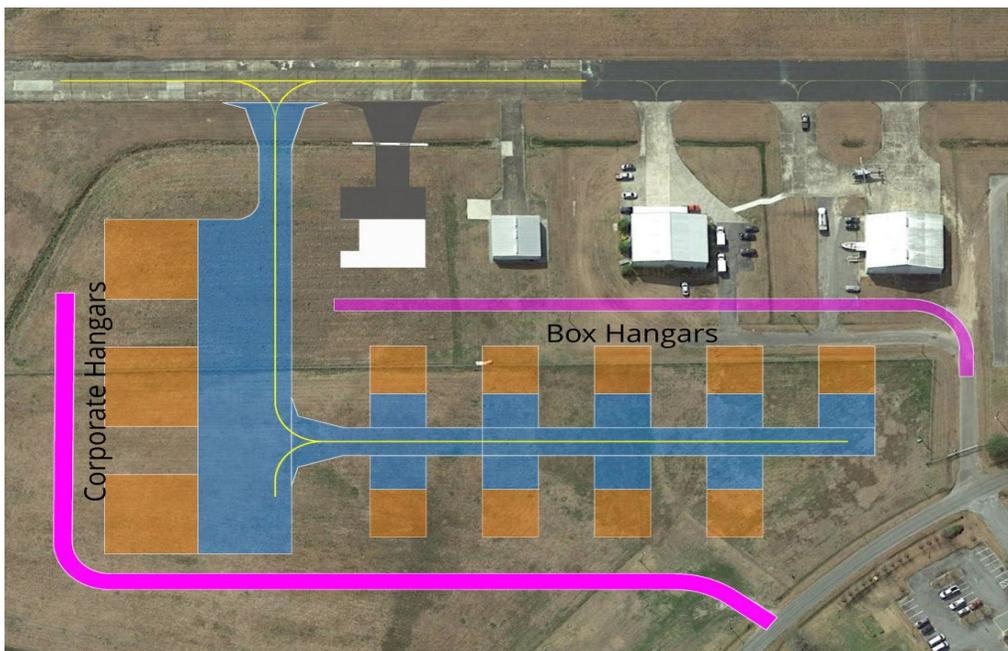
- A) Many airports have restaurants on the field that not only serves pilots and transients, but also the local community. Most are casual and provide a visitor stream that benefits the airport's visibility. An on-site place to eat is often aviation-themed and becomes a regular hangout for people to watch planes take off and land.
- B) Private pilots often get together and fly in en masse for what is called the '100 dollar hamburger'. It gives recreational pilots an excuse to visit, as well as north/south travelers a place to eat/fuel up/potentially fix a plane problem.
- C) There is typical restaurant investment in licenses, equipment, marketing, etc. Security protocols must be met to ensure FAA/TSA compliance.
- D) A start-up or an existing relocation server will have similar but different marketing strategies. The Airport website will feature the 'food on the field' which is a draw. If a good value, pilots will put the word out on social media. It can also cater meetings in the terminal and provide food for corporate travelers.
- E) This could happen in 1-2 years.
- F) This is a desirable element for the airport, but will essentially be opportunistic.
- G) Revenue is like to be in the \$600/month range.

#### *6.3.16 Sea Plane Base at Havens Gardens.*

- A) There have been regular requests for a means to land floatplanes at a location connected to OCW, both by existing tenants and transients. Docking for aircraft on floats could land on the river, taxi to the dock, and walk/cab to local establishments downtown and in the wider area. Providing refueling with the use of the fuel truck could be useful.
- B) This would be unique in Eastern North Carolina and could be a real draw for Tourists. A tie-in with Washington City Docks might enhance the logistics and experience.
- C) Creating such a landing site will require coordination with several agencies, including the FAA, USCG, NC Wildlife Dept., and others.
- D) Marketing would be directed at the flying community through social media, seaplane association/user groups, and targeted magazine publications.
- E) This is on the horizon, not expected to happen for several years.
- F) Priority is opportunistic.

G) There is likely to be no direct revenue unless an amphibian flies on to OCW, but it helps the local economy and is a resume builder for the Airport. There is a potential for fuel sales.

**Exhibit 6-2 Washington-Warren Airport Recommended Development Zones**



**6.4 Opportunity Zone**

A portion of the Airport is within an Opportunity Zone. This has the potential to attract further business investment.

Opportunity Zones are designed to spur economic development by providing tax benefits to investors. First, investors can defer tax on any prior gains invested in a Qualified Opportunity Fund (QOF) until the earlier of the date on which the investment in a QOF is sold or exchanged, or December 31, 2026. If the QOF investment is held for longer than 5 years, there is a 10% exclusion of the deferred gain. If held for more than 7 years, the 10% becomes 15%. Second, if the investor holds the investment in the Opportunity Fund for at least 10 years, the investor is eligible for an increase on the basis of the QOF investment equal to its fair-market value on the date that the QOF investment is sold or exchanged.

The 2017 Opportunity Zone program allows investors to directly roll their capital gains into Qualified Opportunity funds which allow investments to occur rapidly.

This new capital has the potential to:

- Fuel business expansion
- Create jobs
- Expand housing options
- Attract entrepreneurship
- Improve Quality of Life

*Source: Step-by-Step Guide to Marketing Opportunity Zones – Golden Shovel Agency/  
<https://www.goldenshovellagency.com/guide-to-opportunityzones>*

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<i>Summary - Section 6</i>
<i>THE BUSINESS STRATEGY PROJECTS STEADY GROWTH DUE TO:</i>
<ul style="list-style-type: none"><li>• <i>Aggressive marketing using dedicated resources.</i></li><li>• <i>The “OCW Advantage” will continue to gain traction with the flying community.</i></li><li>• <i>Expanded infrastructure will attract desired business.</i></li><li>• <i>Aviation Products, Services, And Facilities</i><ul style="list-style-type: none"><li>○ <i>Hangars</i></li><li>○ <i>T-Hangars</i></li><li>○ <i>Fuel</i></li><li>○ <i>Terminal</i></li></ul></li><li>• <i>Outline of Airport Infrastructure Plan that will focus on the development of key projects that facilitate success-oriented investment.</i></li><li>• <i>Opportunity Zone provides added incentive for private investment.</i></li></ul>

## SECTION 7 – WASHINGTON-WARREN AIRPORT FINANCIAL ANALYSIS

### 7.1 Introduction

Proper execution of an airport's fiduciary responsibilities is a key factor in the long-term success of an airport and its operation. Additionally, under the FAA's Airport Improvement Program (AIP) certain grant assurances such as Airport Sponsor Assurance No. 24 apply, and the FAA requires that any AIP-funded airport be as financially self-sustaining as possible given the circumstances that exist at the airport. While FAA's grant assurances do apply to OCW, NCDOT and their grant program operate under similar requirements. The development and implementation of a long-term business plan provide the opportunity for airport managers and policymakers to demonstrate that fiduciary responsibilities and the requirements of NCDOT are being taken seriously. An airport's financial statements, budgets, and other performance measures are considered essential tools for achieving goals and realizing the mission and vision of the airport.

In recent years, Washington-Warren Airport has maintained an annual budget providing Airport management, operations, and basic maintenance services necessary to meet the facilities' obligations. The City is evaluating opportunities in an effort to move forward with the funding of essential projects necessary for the Airport's long-term operations. The majority of capital projects at Washington-Warren are funded by NCDOT grants and programs, with required matching funds coming from the City of Washington. Consequently, even with state assistance, the Airport has numerous high-priority capital projects that should be addressed in the immediate future.

The composition of aviation services demand is changing. Traditional airport traffic consisting of small to mid-sized single and twin-engine aircraft is beginning to subside slightly, while potential activities from larger corporate jet traffic appear to be on the verge of an upswing. The City of Washington's decision to make substantial investments in repairs and upgrades to the Airport is not going unnoticed. Beginning with the replacement of the terminal building in 2015 after the storm destroyed the old one, along with the runway refurbishment during 2019/2020, refurbishing and repairing existing hangars, purchasing of the proper ground equipment necessary to service aircraft, and creating a culture of premiere customer service. This has attracted the attention of investors and aircraft owners who are looking for the opportunities OCW offers. These activities are expected to translate into demand for higher volumes of fuel sales, maintenance services, and associated facilities within the next few years if the Airport's basic infrastructure needs can be addressed.

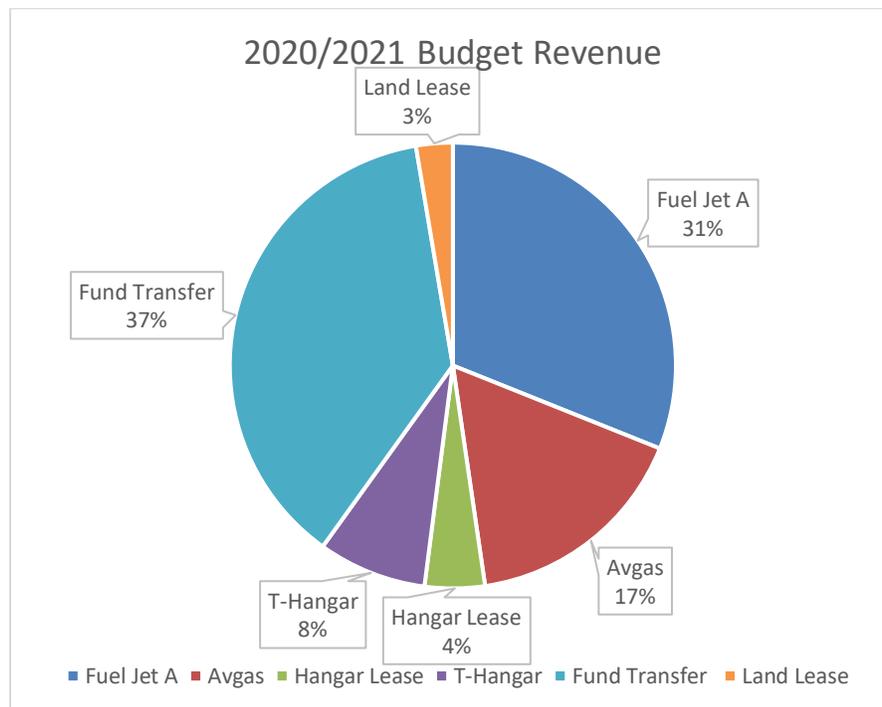
All factors described above drive the need for essential capital projects such as facility development, access roads for future hangar expansion, and general infrastructure upgrades. Since many of these capital projects may be necessary to the Airport's development sooner rather than later, the Airport will need to work with NCDOT, and perhaps others to evaluate sources of funds and priorities necessary to accomplish critical work in time to meet the demands of new business.

As Washington-Warren Airport moves into the next phase of its development, Airport and City officials are planning to upgrade various aspects of its financial structure and begin the evaluation of a comprehensive financial program necessary to meet the demands of future development and operation.

## 7.2 Financial Overview

The overall City budget was initially discussed in Section 2. Revenues for the Airport for the year shown below were approximately \$389,276, necessitating the transfer of \$232,842 to balance the year's budget, as indicated below in Exhibit 7.

### Exhibit 7-1 2020/2021 Budget – Washington-Warren Airport



Annual revenues generated by the Airport have, to date, not kept up with expenses. The Airport's general revenue outlook could improve if larger jets frequent the Airport on a more regular basis and if new Airport tenants locate in Washington. Nonetheless, a backlog of capital projects, increasing costs of repairs and operations, and an urgent need to upgrade facilities to accommodate new business will also translate into increased expenses for the Airport in the near term.<sup>1</sup>

<sup>1</sup>This paragraph was written prior to the \$20 million infusion of state funds.

### 7.2.1 Sources and Uses of Funds

Washington-Warren Airport is a Department under the City of Washington. A portion of revenues necessary for its annual operations is generated by Airport services, fuel sales, land leases, property taxes on aircraft, hangar leases, and other contractual revenue sources. The Airport also receives monies from the City of Washington General Fund as necessary to its operation, subject to the financial processes and approvals of the City. Major capital improvement or planning projects are traditionally funded by appropriate grant programs from NCDOT's aviation fund. In the case of NCDOT, project assistance can come in the form of grants or the State's airport pavement

maintenance program for the specific runway, taxiway, or apron area pavement preservation projects. These funds generally require a 10% match in funds from the Airport Sponsor.

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### 7.3 Projected Revenues

Projections of future revenues for Washington-Warren Airport are based on several factors including estimates of future aircraft activity, fuel sales, and associated revenues from services, leases, and taxes. The Airport will collect additional fuel sales revenue, along with any applicable landing fees, percentages of gross sales, and parking fees when aircraft utilize the public areas.

Over the last three years, basic Airport revenues have averaged under \$400,000 annually, excluding grant funds or other outside funding dedicated to specific CIP projects. It seems reasonable to assume that direct Airport revenues could increase significantly in the near term. However, this is likely contingent upon grant funding from NCDOT in the very near future because several improvement projects listed are critical to any future development. After the completion of these improvements, a number of possibilities exist that could help achieve this additional revenue:

- The Airport would acquire a greater share of the corporate aircraft fueling business, approximately doubling its fuel sales over the next five years through appropriate marketing efforts.
- New businesses such as flight schools and technical service companies to service the corporate aircraft fleet and others will locate in the Airport.
- New hangar and land leases for business will be developed over the next ten years that will be marketed at fair market value.

If the development as described above occurs in the next ten years, this will represent a growth trend for Washington-Warren Airport. These factors will also represent a marked increase in corporate aircraft operations, much higher fuel sales, and an increase in Airport tenants and businesses, along with additional jobs and tax revenue.

Opportunities for the Airport to improve its annual revenue picture can also increase over the long-term in several areas. More aircraft operations in the future translate into more service fees, and higher fuel and related commodity sales. Future development will also increase land lease revenues and related developmental revenues.

#### 7.3.1 Fuel Sales

The fuel storage facility at Washington-Warren Airport is located to the north of the terminal building near the primary apron. On this site, the Airport maintains two above-ground storage tanks, one with AvGas and the other with Jet A fuel. Each tank holds approximately 12,000 gallons of fuel. Self-serve Jet A fuel and 100LL AvGas are available 24 hours a day at the fuel farm, located adjacent to taxiway B and the tiedown apron. The City spent close to \$50,000 on repairs, maintenance, and upgrades to the Fuel Farm and Fuel Island equipment between 2018 and 2021 to upgrade and bring the equipment into compliance with the fuel vendor's, Titan Fuel, inspection

criteria. Both Jet A and AvGas are also sold from fuel trucks, which are leased from the Airport's fuel vendor, at a higher price than fuel sold from self-service pumps.

It is important to understand certain factors when interpreting Table 7-1. The first factor is that prior to 2018, minimal records were kept, and little attention was given to the Airport and fuel sales. Next, it is important to understand that two major factors impacted fuel sales in 2019 and 2020. The Covid-19 epidemic virtually shut down all aviation nationwide. Secondly, the Airport was able to continue with the pavement refurbishment project, which at times, required closed runways for 3 months. With that understanding, it is reasonable to infer fuel sales would have continued to increase during this period.

Despite the pandemic, Jet A fuel sales increased from 30,115 gallons in 2016 to 40,797 gallons in 2020, a 35% increase in volume. AvGas fuel was on a more modest trend upward until the pandemic and runway refurbishment occurred. Small, piston-powered aircraft have not rebounded as quickly as turbine-powered aircraft. It is also noteworthy that the Airport started pricing fuel differently beginning in FY2018/2019 by adding fuel-related expenses and profit margin.

Since Jet A fuel has the highest margin and potential financial impact on OCW, it is recommended that greater efforts and funding should be invested in marketing OCW to jet owners and transient customers. Currently, the only fuel price incentive for jet customers at OCW is the Titan Contract Fuel Card. Corporate jet traffic often uses a variety of discount fuel cards and will search out and route their stops based on which airports support their preferred fuel incentive cards, such as Military Fuel cards and Corporate Aircraft of America (CAA) contract fuel incentive/discount cards. In the current market, based tenants have come to expect discounts, and often, discounts based on the volume of fuel purchased. To date, the City has understandably been reluctant to offer tier pricing, but strong consideration of these various incentives would be prudent.

The annual combined fuel sales at OCW have steadily increased from 54,000 gallons (2016) to approximately 77,000 gallons (2021), a 43% increase over five (5) years. It is reasonable to assume that with proper marketing efforts, and hangar space availability to accommodate demand, total fuel sales could continue to rise 35% through 2025, or 104,000 gallons. Depending on the type of fuel demand in future years, this could increase fuel sale profit by approximately \$25,000 or more annually in the relatively near term. If additional infrastructure, hangars, and other economic development projects are accomplished as planned, the future becomes much more promising.

### *7.3.2 Land Lease and Operating Fees*

Over the long-term, the Airport needs to develop potential in the areas of hangar development and new business development. Because of the capital investment required, it is unlikely that the Airport or the City will engage in the direct development and construction of these facilities. Most airports tend to be in the land business, which encourages appropriate land leasing options for facility developers and others wishing to locate on the airport. Leasing rates should be tied to fair market value and duration of lease terms structured to allow recovery of investment and operation appropriate to each type of business. There is much confusion on what is allowed by the FAA regarding types of leases, duration of leases, and pricing of leases. To not lose institutional

knowledge as City staff and politicians change, it is highly recommended that the Industry Standard be written and followed.

Ground leases have traditionally been misunderstood and not fact-based resulting in a wide variety of inconsistencies in lease agreements with different tenants. For consistency and maintenance of institutional knowledge, the committee suggests that a section be included in the Airport Rules and Regulations that contains the statement, “Washington-Warren Airport's ground lease term is based on the cost of the facility being constructed. The greater the cost, the longer the term. Generally, we would start at 20 years with two additional 5-year options. The longest term would be a 30-year base with two 10-year options. The term should allow the builder to amortize their costs. At the end of the lease, the reversionary clause is enforced, and the airport takes ownership or establishes a means to allow the owners of hangars to sell their hangar, and then the airport may renegotiate the term of the lease with the new owner.”

### 7.3.3 *General Services*

Washington-Warren Airport provides several services to the flying public directly. Landing fees, aircraft parking fees, special event accommodations, long-term storage services, and a variety of other call-out services are charged as needed. The Airport should update its rates and charge structure regularly to assure that OCW remains competitive with other similar facilities in the region. The Airport should continue to remain current with all its rates and charges to cover as much of the Airport overhead cost of operations as possible.

During the final stages of writing this document, Washington-Warren Airport received confirmation that efforts to gain infrastructure funding through a line-item appropriation in the State Budget were successful. As a result, OCW has the potential for the development of a new market in the corporate aircraft realm. Other development opportunities appear to be present as well. Circumstances may change rapidly, making it difficult to accurately forecast new revenue in the short term. However, it appears reasonable to assume that OCW can likely raise its base annual revenues to higher levels in the next few years assuming that critical infrastructure issues can be addressed.

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## 7.4 **Projected Operating Costs**

Operating costs should be expected to continue to rise over the short-term as well. Inflation, additional staff, employee salaries and benefits, costs of utilities, insurance, and other routine costs seem to increase at 3 to 5 percent annually in the State of North Carolina. Fuel costs have been more volatile since the last presidential election and have climbed to record highs. Airport ground maintenance costs should be expected to rise slowly each year as well since additional land is forecasted to be purchased.

The real exposure for Washington-Warren Airport is the immediate need to accomplish infrastructure projects before surrounding airports complete their projects. The airport that can capitalize on the high demand for hangar space, East of I-95, will have a distinct competitive advantage in this region.

In general terms, most of the Airport's projected operating costs will continue to grow and the infusion of \$20M into infrastructure will obviously add a spike in the Airport's investment. Fortunately, all costs are being paid by the State, not the City.

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## 7.5 Projected Capital Costs

The Washington-Warren Airport Master Plan Update indicates a comprehensive capital program necessary to meet NCDOT standards and promote the safe and efficient operation of the facility. The overall Airport capital improvement plan (ACIP) shown in the Washington-Warren Airport Master Plan Update totals \$20,000,000 in various capital projects over the next five years. These projects are phased and generally accomplished in order of priority as funding becomes available. Fortunately, the necessary projects listed are fully funded by the State Legislators. This is a "once in a lifetime" opportunity for the City of Washington and OCW.

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## 7.6 Costs and Prioritization of Capital Programs

The current Washington-Warren Airport CIP from the Master Plan Update is shown below in **Table 7-2** in order of priority, along with associated costs, and phasing.

**Table 7-2 Washington-Warren Airport Capital Improvement Plan**

Item #	Airport Improvements	Total Project	State Funds	Local Match	Projected Completion
1	Purchase land (107 acres) for Aerospace Industrial Park*	\$1,650,000	\$1,650,000	\$0	May 2022
2	Purchase land (35 +/- acres) from Moore Estate @ approach end of runway 35	\$375,000	\$375,000	\$0	June 2022
3	Storm Drain Replacement	\$2,500,000	\$2,500,000	\$250,000	September 2022
4	Taxiway to Jet Park	\$1,200,000	\$1,200,000	\$0	November 2022
5	Refurbish Metro Hangar	\$900,000	\$900,000	\$0	December 2022
6	The road into newly purchased land Aerospace Industrial Park	\$1,200,000	\$1,200,000	\$0	July 2023
7	Crop Dusting Loading Apron	\$850,000	\$850,000	\$0	September 2023
8	Manufacturing Spec Building	\$2,500,000	\$2,500,000	\$0	January 2024
9	Corporate jet hangars (Private Developers)	Each \$1,400,000	\$0	\$0	April 2024
10	New 60x60 jet hangars (7 units) + utilities (Private Developers)	Each \$1,000,000	\$0	\$0	April 2024
11	New 8-bay T-hangars (3 buildings) + utilities (Private Developers)	Each \$1,400,000	\$0	\$100,000	TBD
12	100X200 Corporate Jet Hangar	\$3,400,000	\$3,400,000	\$0	March 2023
13	Precision Instrument Landing System Improvement	\$400,000	\$400,000	\$0	July 2023
14	Runway Extension 17/35	\$3,600,000	\$3,600,000	\$0	November 2024
15	Runway and Taxiway Lights	\$1,200,000	\$1,200,000	\$0	December 2022

\* Item #1 – Actual Costs, Items #2 through #15 are estimated.

## 7.7 Overview of Potential Funding Sources

Washington-Warren Airport must execute these projects and continue to evaluate all internal and external funding sources and opportunities to develop a comprehensive funding picture capable of supporting its operations, to maintain and grow the Airport business.

### 7.7.1 *Operational Sources of Funds*

The Airport collects fees for many direct services to its based and transient customers, including:

- landing fees where appropriate
- parking
- GSE (ground support equipment)
- tie-down
- building leases
- hangar fees
- Special Aviation Service Organizations (SASO)

The compilation of all such direct fees constitutes Washington-Warren Airport's Fee Schedule and is listed on the City's website, is updated, and amended annually to reflect current markets. The revenues derived from such direct Airport charges are generally applied as an offset to its expenses and costs of operation. The amount of revenue Washington-Warren Airport receives from this category of funding varies from year to year depending on the amount and type of aviation traffic that frequents the facility and the number and type of other special events that may occur during that year.

### 7.7.2 *Non-Operational Sources of Funds*

In addition to operational revenue sources such as landing fees, parking fees, operating agreements, and leases, airports generally must look to non-operational funding sources to support capital improvement programs. Non-operating sources of funds typically come from external sources, are not debt-related, and are not directly related to the use of the airport or the leasing of airport land, improvements, and facilities. Some specific examples of non-operating sources of funds include the following:

**State Grants** – In the State of North Carolina, NCDOT is the government agency responsible for providing a safe, efficient, cost-effective multimodal transportation system including airports. Monies collected from flight property tax, aircraft lieu tax, aircraft registration, and aviation fuel tax are deposited into the State Aviation Fund and distributed by the NCDOT Division of Aviation. On an annual basis, money is allocated for airport development across five major programs. Projects eligible for state grant funding include design, construction, safety, security, capacity enhancement, environmental, planning, and land acquisition.

**Taxation and Government Subsidies** - In many cases, general aviation airports receive subsidies from the airport sponsor to cover operating deficits or provide matching funds required to receive state grants. Some airports may also receive subsidies from other municipalities or counties that benefit from the presence of the airport. Washington-Warren Airport receives support from the City of Washington for matching funds and an average transfer from the City's General Fund of about \$250,000 each fiscal year. It should also be noted that the matching funds that the City pays for projects that require a 10% match, historically come from the Federal Non-Primary Entitlement (NPE) Fund of \$150,000 the City receives each year in October. The NPE funds are not included in the \$250,000/year transfer from the General Fund.

Some general aviation airports receive funding through property taxes, both directly and indirectly. An airport may be granted direct taxing authority through state legislation when a stand-alone entity, such as an airport authority, is established to own and operate an airport. In other situations, airports may indirectly benefit from the taxing authority of the airport sponsor, such as a municipality or county, when a portion of the taxes collected by the airport sponsor is for the airport. The City decided to de-annex the Airport and create tax incentives for aircraft owners and businesses which use aircraft located at Washington-Warren Airport. The property taxes on aircraft, hangars, and equipment are taxed by Beaufort County, and the County in turn gives a performance grant to the City for nearly all the taxed amount received from the users of the Airport. There is currently a cap of \$100,000 on the County performance grant to the City. OCW has advised the City that this tax cap must be renegotiated as this will certainly prevent plans to achieve revenue-neutral operations.

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## 7.8 Funding Considerations

Most of the funding resources listed may be available to Washington-Warren Airport through its sponsor, the City of Washington. Consequently, several factors are taken into consideration when making the proper selection of a funding mechanism for specific projects or applications at the Airport.

Currently, the primary funding source for Airport improvements is NCDOT's airport development grant program. These funds can be used for airport planning, design, construction, or land acquisition projects and may cover 90-95 percent of an eligible project's cost. The sponsor is responsible for matching the remaining 5-10 percent of project costs. These programs are limited by the fact that total grant monies available may be limited in any given year and grants are awarded on a priority basis. However, the NCDOT grant programs represent the best and most efficient use of the sponsor's available money and should be utilized first whenever possible. Matching funds may be drawn off any of the Airport's operational revenues as available or otherwise provided by the City of Washington.

Some special projects that may not be eligible for NCDOT funding could be financed utilizing debt financing, or medium to long-term loans. In these circumstances, the cost of money, including total interest and other related charges associated with a loan package, is the primary consideration. Municipalities may be eligible for low-interest loans, and it is clearly in the best interest of the City and Airport to shop such available loan programs to locate the best deal.

\*\* Due to the economic stress inflicted upon the entire country by the Covid-19 pandemic, federal funding has been to be distributed to the States to support economic development and infrastructure projects. Through efforts made by resources in Beaufort County, the City of Washington, Washington-Warren Airport management, and local Congressional representatives, earmarks for Washington-Warren were successfully identified in the 2022 North Carolina budget. This funding provides for \$20MM over the next two years for the Airport Modernization and Economic Development identified in table 7.2. This funding will be the catalyst for private investment identified for both a co-located industrial park and needed airport facility modernization. It will have a transformative impact on the economic sustainability of the Airport specifically and the local economy.

<i>Summary – Section 7</i>
Section 7 provides an overview of OCW’s revenue sources
<ul style="list-style-type: none"><li>• <i>7.2 explains that OCW has typically incurred operating costs greater than its annual revenue, thus requiring a subsidy from the City’s General Fund.</i></li><li>• <i>Section 7 also provides a more details explanation of the Airport’s operating costs and where they are incurred.</i></li><li>• <i>7.8 examines other funding sources. Note that this section does not directly reflect the \$20 million state funds that were announced in December 2021.</i></li></ul>

## SECTION 8 – IMPLEMENTATION AND ACTION PLANS

### 8.1 Introduction

Previous Sections have explored the Airport’s business history, its financial status, and evaluated current and potential future markets. As part of that process, goals and objectives were developed and prioritized to meet the demands of the future. Logical next steps call for the development and execution of specific action plans for each of the stated goals to move the Airport forward on its infrastructure and business development track. This section addresses those previously developed goals and outlines the required actions necessary for the proper implementation of each. Responsibility for the execution of specific action plans is also identified.

### 8.2 Goals and Action Plans

A total of seven primary goals were developed for Washington-Warren Airport. It is important to note that the current position of the Airport will require that many of these goals be pursued simultaneously to meet future market demand. A summary of each goal and associated action plan is as follows:

*Goal # 1 - Develop a new comprehensive marketing plan for Washington-Warren Airport.*

The working group of the ASBP felt that the immediate development of a new Airport marketing plan was necessary for the identification and recruitment of new future business operators at the Airport. Such a plan should identify critical aviation businesses and trends that can be accommodated at Washington-Warren Airport and outline a plan of action to contact and recruit those business operators that might take advantage of specific future opportunities in Washington.

#### ***Action Plan:***

An airport marketing plan is not within the scope of this current ASBP but should be developed as a separate effort. The City of Washington, Airport Manager, and County Economic Development have been developing the plan and identifying growth opportunities on a separate track. Specifically, a new Airport marketing plan should include several objectives:

- The marketing plan should include recognition that the Airport business is closely tied to other general businesses, opportunities, and attractions within the City of Washington and the surrounding region; the Airport fills an important transportation link necessary to the general economic health of the area.
- The marketing plan should target specific portions of the aviation market that have shown growth potential and require the services and capabilities that OCW has to offer. Currently, there is an identified corporate aircraft market that appears to have strong growth potential and is tied to business and manufacturing, tourism, and other attractions in the region. Other aviation service opportunities exist as well.

- An effective plan will need to be more than a standard community marketing approach; it will entail a thorough understanding of the City’s economy, opportunities, and direction, and an understanding of Washington-Warren Airport’s operational capabilities and development potential. Furthermore, a comprehensive marketing plan will need to merge the requirements and attributes of both entities to present a complete picture of the community to potential future clients.
- At a minimum, a marketing plan should address the following six points:
  - What are the **marketing goals**?
  - Who are **the target audiences**?
  - What is **the message** the airport intends to communicate?
  - What **methods of communication** will the airport use to reach its audience?
  - What **staffing and financial resources** will support the effort?
  - How will the airport **measure success**?

Upon receipt of the completed marketing plan, Airport management and economic development should divide implementation responsibilities and execute the plan promptly.

*Goal # 2 - Maintain a working and political relationships with federal, state, and local funding agencies.*

The ASBP working group believes relationships begin by building a positive image of Washington-Warren Airport and the City of Washington by maintaining high standards of conduct and fiscal responsibility. Improvements in local standards and operations, followed by political outreach and partnering with the various federal and state funding agencies, will improve working relationships and opportunities for future funding initiatives. The priority of this goal needs to be pursued concurrently with all initial goals as it is important to the long-term success of the Airport.

The City of Washington and the Airport can assure their status in the eyes of federal and state funding agencies in several ways, such as by improving communications, conducting regular meetings to share information and developments, requesting guidance on regulatory issues, and working within the system. Some recommended actions include:

***Action Plan:***

- Familiarizing the upper levels of City government with federal and state regulations pertaining to Airport operations, development, and funding.
- The inclusion of appropriate members of upper management in meetings with the state will promote a more thorough understanding of the processes involved and show commitment by the City to be involved and work with those agencies on critical funding and project issues.
- Ongoing networking efforts between City and Airport management at local and regional conferences like the North Carolina Airports Association, and regional FAA and NCDOT

conferences help keep an informed familiarity with issues between airport owners and federal and state agencies.

- Working with congressional delegates and other political bodies to educate and highlight the operational and development issues of Washington-Warren Airport, and to garner their support where needed, should be an ongoing exercise.
- Seek guidance and concurrence from NCDOT when developing Airport Capital Improvement Programs or other planning and development activities. An open discussion of the pros and cons of a program or project can streamline the effort and allow the agencies to better understand the issues involved and provide better direction.
- Airport management should always be proactive when dealing with federal or state agencies on funding or regulatory issues. It is important that the Airport's voice be heard. This also gives the Airport the opportunity to see and be seen when issues arise, and to better understand any related impacts.
- In general terms, Airport management needs to stay informed about the evolution of regulations and procedures in our government bodies and cultivate relationships within those organizations that can aid the airport in dealing with such changes as they occur.

*Goal # 3 - Identify new funding opportunities for infrastructure improvements.*

The following Action Plan was created by the Team before State Budget appropriated the \$20M for Airport Modernization and Economic Development and made it public. The temptation to relax efforts to identify new funding opportunities must be resisted. If anything, efforts should be increased to maximize momentum and the attention brought to OCW by this large and notable investment by the State. Every effort to utilize additional grants and private sector investment should be aggressively pursued in order to gain the most benefit possible for the Airport.

Additional funding sources must be identified to accomplish the required infrastructure upgrades necessary to accommodate future growth and development of the airport. Current infrastructure concerns will be one of the biggest impediments to the successful growth and future development of Washington-Warren Airport. Potential solutions should be investigated and implemented as soon as possible. The construction of infrastructure is key to facilitating the airport's growth. This includes paving projects, additional power, water, and sewer to various areas, and even internet fiber.

Potential solutions should be investigated and implemented as soon as possible.

***Action Plan:***

- Meeting with NCDOT to discuss current project priorities and funding opportunities in the near term to address infrastructure needs. Opportunities for new or expanded funding opportunities should be discussed, and any applicable special programs that would improve the Airport's overall funding picture in the short term should be explored.

- Certain building infrastructure projects may lend themselves to public-private partnerships. The viability and availability of such partnerships should be explored as a way to share the burden of future costs associated with development.
- The State of North Carolina should also be approached via NCDOT to ascertain the availability of special grants or Airport Pavement Management Systems (APMS) programs that could be accessed for infrastructure improvements.
- The City of Washington’s upper management should be consulted to determine if financial resources from other federal, state, or regional sources can be brought to bear on behalf of Airport infrastructure projects.
- The Airport should establish, maintain, and update its rates, and charge structure, and remain as self-sufficient as possible by utilizing fees from services provided.

*Goal # 4 - Increase Fuel and Services sales to GA and Corporate aviation customers.*

Finding a way to increase revenues from Airport fuel sales and services is at the heart of any airport development plan. Additional revenues mean an additional capability to address infrastructure issues and expand the capabilities of the Airport. The path to more revenue production must address two significant issues in this case. The primary issue is the necessity of extending the runway and related infrastructure so the airport can safely accommodate more and larger fixed-wing aircraft. As that issue is addressed, the Airport should embark on a general marketing plan to pursue new aviation customers and educate the public about the capabilities of Washington-Warren Airport. When these efforts are successful, then increased revenues will follow.

One means successful airports utilize is a tier pricing system as an incentive for base tenants. At certain, predetermined gallons purchased, additional discounts are given to the customer. Fuel vendors (Titan Fuel) offer software to aid in tracking customer fuel purchases.

***Action Plan:***

Utilizing a new Airport Marketing Plan, the Airport should identify and reach out to established regional flight schools or startups that might be interested in locating their business at Washington-Warren Airport. This would be a multifaceted process that would include the following elements:

- Development of marketing proposals for flight schools that would be interested in relocating all or part of their operation to Washington-Warren Airport.
- Negotiating appropriate terms and conditions, building, hangar, and land rents for a prospective flight school.
- Development of media for other regional flight schools or charter operators marketing the attributes and services of Washington-Warren Airport.
- Development of appropriate operating agreements for use of the Airport.
- Secure military fuel contract.

*Goal # 5 – Broaden awareness of the Opportunity Zone*

OCW’s Opportunity Zone can be marketed and leveraged to attract a wide variety of entrepreneurs. Opportunity zones were created in the tax overhaul of 2017 by the Trump administration, as a tax

break for underprivileged neighborhoods, offering capital gains advantages to investors as a way to encourage new businesses, housing, and jobs. The program allows investors to defer and lower their capital gains taxes on sales of stocks and other investments if they place the proceeds into projects in areas struggling with poverty. Nearly 8,800 opportunity zones have been certified in the US. Washington-Warren Airport is located in the middle of one of these “Opportunity Zones.”

***Action Plan:***

Opportunity Zones, if implemented correctly, will provide a direct conduit for investments to reach distressed neighborhoods. The residents of these areas will directly benefit from business growth, infrastructure improvements, and a higher standard of living. Investors who take on the risk of improving distressed areas will earn unprecedented tax savings.

- Create a workgroup, or committee, dedicated to creating a marketing plan and implementing it specifically to leverage the Opportunity Zone at OCW. Besides the Airport Manager and County ED, the committee should include local elected officials, interested members of the community, education leaders, and other stakeholders
- Identify key messages, targeted industries, Opportunity Zone desired uses, geographical boundaries, and goals for the future strategy.
- Identify other competitive communities and their approaches.
- Once the research has been gathered and a plan is articulated/shared, a prospectus should be assembled to highlight potential investments, detail the financing needs, and attract investors. The prospectus is a brief narrative of the community and includes the demographics of the Opportunity Zone detailing the potential growth and ROI.

*Goal # 6 – Raise OCW’s reputation and increase awareness.*

Continue the ongoing efforts to establish OCW as a “Pilot’s Airport” with a reputation for excellent facilities, accommodating staff, competitive fees, and useful amenities. Ensure local businesses (e.g., restaurants, lodging, real estate, museums) are engaged with travelers. Further, ensure the general public is aware of and is welcomed to the airport.

These factors will make OCW, along with the City and neighboring area, an attractive destination. Further, there is considerable North-South traffic along the East Coast and as OCW is along the nominal flight path, it can become a refueling/rest stop of choice. The aviation community has a robust, but fractured, network for trip planning, so marketing will require presence and persistence on several platforms.

***Action Plan:***

The following actions are recommended to achieve the goal of 1) attracting the flying community and 2) engaging local businesses and residents to OCW.

- Continue to improve and consistently update the OCW website
- ([www.flykocw.com](http://www.flykocw.com)).
- Ensure inquiries are thoroughly and expediently responded.
- Endeavor to keep OCW fees/fuel pricing competitive.

- Re-energize airport events such as the Easter Egg Drop, Fly-Ins, Open houses, etc.
- Ensure OCW information is current on popular Flight Planning software platforms – e.g., FlightAware, Foreflight, Airnav, AOPA, etc. When reviews are made, address issues/clarify ops status when appropriate.
- Record visitors’ contact information (if willing) to create a distribution list for periodic email ‘push’ notices (newsletter) regarding events, facility changes, service expansion, etc.
- Reach out to and secure ‘brochure’ information for local businesses and places of interest in a terminal-sited kiosk.
- Periodically post on local Washington-relevant forums information that would be of interest to local residents, such as events, significant activity, and high-profile visitors.

*Goal # 7 - Attract new specialty air service providers to Washington-Warren Airport.*

This goal speaks to continued efforts to attract commercial or specialty air service in the form of air charter and air taxi services to Washington to augment air access to the area.

***Action Plan:***

Washington-Warren Airport already provides excellent access to the community for general aviation and corporate aircraft customers. On the other hand, commercial charter and specialty air taxi operations remain an underserved market. The Airport should extend its marketing efforts to the commercial segment of the aviation community by offering the following:

- Develop marketing collateral to be distributed to regional air taxi operators within the State of North Carolina to heighten the profile of services offered at Washington.
- Explore opportunities with specialty aviation operators such as charters, agricultural applications, firefighting support, and air show events.

*Goals Summary*

As initially stated, the goals and action plans listed above have been shown in order of priority. However, several of these priorities need to be executed simultaneously to enable the Airport to move into a competitive position and meet on-coming demand in a timely manner.

Goals one, two, and three, speak to the establishment of a comprehensive Marketing Plan, improvements in critical political relationships, and identification of expanded future funding opportunities. These elements are critical to the operational viability of the Airport and may require an extended period of time to be accomplished. As such, it is in the best interest of the City and the Airport to begin work on these goals simultaneously and immediately.

Other goals speak to the development of additional aviation services and operators to expand the business base of the Airport. These goals are important and necessary for the appropriate future development of the Airport. Work should commence in the near term for the development of each, keeping in mind that certain infrastructure developments must come first to accommodate new growth.

## 8.3 Implementation

The Washington-Warren Airport ASBP is intended to be a living document reviewed and updated, preferably annually, to address economic changes in the community and market. It serves as a roadmap to provide direction for obtaining the Airport's goals and should always be maintained with the most current information.

Additionally, many people will play an active role in the implementation of the ASBP. Management from the Airport and Economic Development and Tourism departments may do much of the heavy lifting, but there are roles to play for many others within the structure of the Airport and City as well.

### *8.3.1 Proposed Division of Responsibilities*

The Manager of Washington-Warren Airport will be the primary focal point for implementing and following the guidelines of the ASBP. It is important that Beaufort County's Economic Development Department may also assist with the projection of the business plan where their activities involve the recruitment of businesses or industries that are to be placed on or adjacent to Washington-Warren Airport. Aviation-related activities such as recruiting new air services or attracting new general and corporate aviation customers should occur under the general direction of the Airport Manager.

Other pursuits involving improvements to relationships with federal and state agencies will include the Airport Manager, but should also include higher-level City officials, and perhaps even state and federal representation from the congressional delegation as appropriate.

A major element of the ASBP involves the identification of additional financial resources to fund Airport infrastructure and development. The Airport Manager should provide direction in such issues, often in conjunction with the City Director of Finance or other personnel versed in the topics at hand.

As a general statement, the Airport Manager should provide direction for all actions necessary to achieve the goals of the Airport supported by the various functions within the City of Washington that can bring their specific expertise, whether it is political, economic, or financial, to bear as appropriate to the issues at hand.

It is recommended that a standing Business Plan and Marketing Advisory Committee be established, utilizing members of the Airport and City staff that can contribute to the ongoing implementation efforts outlined in the Business and Marketing Plans. It is also suggested that such a committee meet at least quarterly to ascertain the status of those efforts and recommend modifications in direction as appropriate.

### *8.3.2 Follow-on Marketing Plan*

A follow-on Airport Marketing Plan will need to be developed that outlines the approach necessary to recruit specific business targets. The Marketing Plan should address each of the identified goals of the Airport and provide details about the approach to be used for target audiences.

An effective marketing program will develop the message that the Airport and City wish to convey to prospective clients and establish cost-effective methods to communicate that message. It will also indicate the required staffing and financial resources necessary to mount an effective and ongoing campaign to expand the Airport's business base.

Finally, the marketing plan will need to establish measurable metrics to help the Airport measure the success of its marketing efforts and make appropriate changes as the market evolves.

### *8.3.3 Metrics for Measuring Success*

Washington-Warren Airport can evaluate its progress in the future by measuring its performance against several distinct metrics. Comparisons can be made between current and past financial performance data. Likewise, physical comparisons evaluate capital improvements and when they are completed against existing infrastructure. Operational indicators that include data on based aircraft numbers and types, fuel sales, and annual operations data will be charted and evaluated against corresponding goals for growth.

Some of the major performance indicators to be monitored and tracked include the following:

- Annual Airport fuel sales
- Based aircraft
- Annual Airport revenues
- Annual Airport expenses
- Number and type of Airport lease agreements
- Capital Improvement Programs
- Annual Airport operations (takeoffs and landings)
- Infrastructure improvements

The Airport should engage in an annual forecast and goals exercise prior to the beginning of each fiscal year and based on current circumstances establish educated performance goals for each of the above categories. The following year, those goals should be examined to determine if they were met, exceeded, or fell short. If those goals fell short of expectations, then an analysis of why performance was short should occur and a possible modification in the Airport's business direction may be in order. This process should be conducted annually to keep the Airport on track toward accomplishing its goals and objectives and keeping its overall business direction on the course.

#### *8.3.4 Summary*

The Washington-Warren Airport ASBP has evaluated the existing business environment of the area and constructed future goals and objectives to assist Airport growth and development into the future. Action plans were developed and recommendations for a follow-on Marketing Plan have been made.

The information contained in this document is time sensitive and conditions may change in a relatively short timeframe. Washington-Warren Airport is poised to execute the guidelines set forth in the ASBP and move forward with its infrastructure and business development efforts. Therefore, it is recommended that Washington-Warren Airport continue its momentum and follow through on the development of a Marketing Plan and execution of its goals as soon as possible.

#### *8.3.5 Addendum*

The Airport Strategy Team has been building this document for several months. A recent major development, a \$20 million award to OCW from the state budget has significant implications for the airport in the near term and may not be reflected in many previous sections of this plan. The announcement was released in December 2021. The awarded funding comes from a direct line item in recent state appropriations.

The Washington-Warren Airport Advisory Board will ensure the funds are used to bring the most impact in jobs, safety, and economic impact for the City. This award is intended to fund the projects shown in Table 7-2. This is the basis for the newly created timelines that follow.

#### **Page 8-12 Capital Projects Timeline**

This graphic displays the estimated completion dates for the major projects listed in Section 7, Table 7-2.

#### **Page 8-13 Revenue Generating Milestones Timeline**

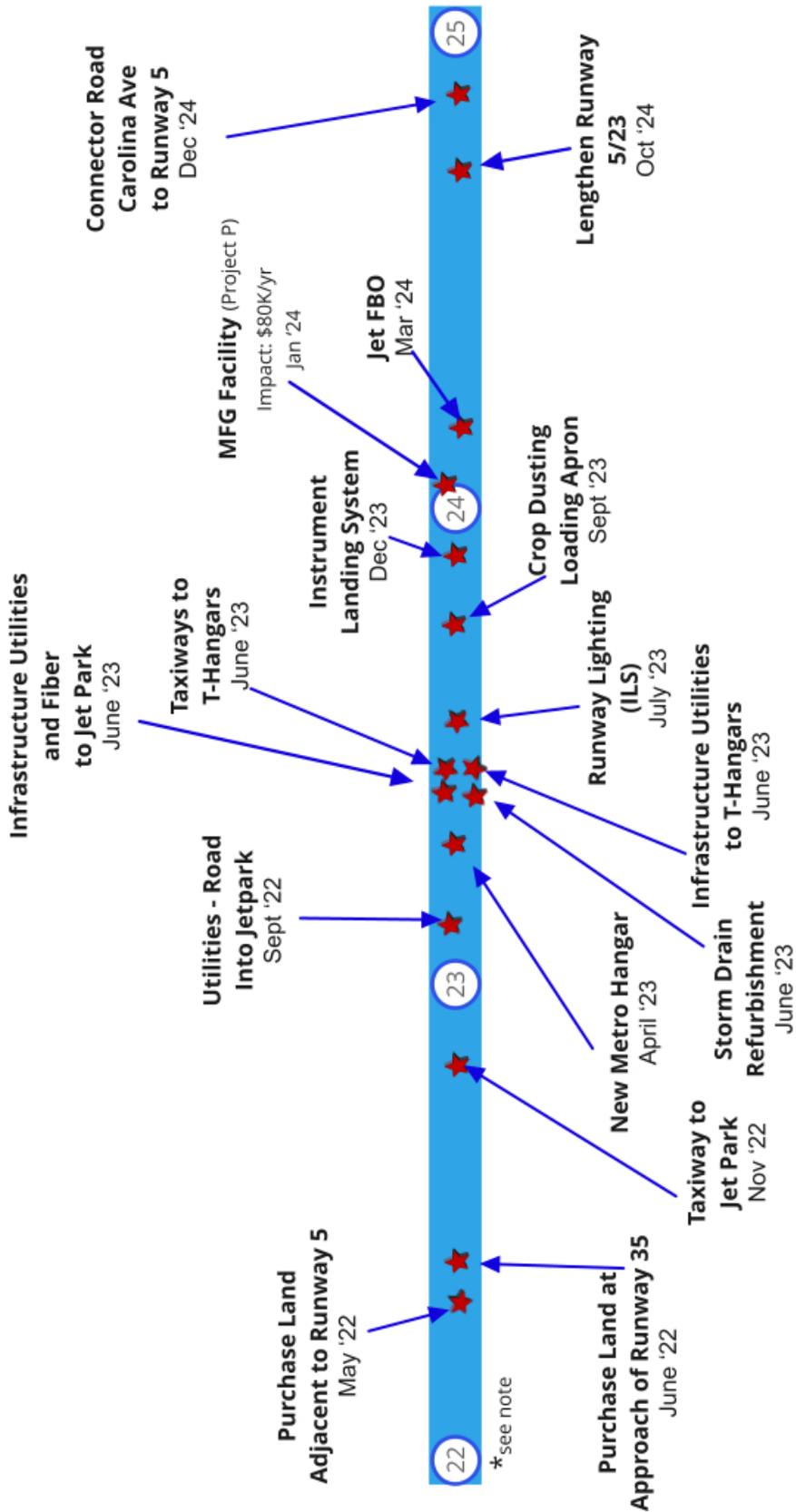
This graphic displays the major developments resulting from the completion of the Capital Projects and provides an indication of economic impact. Of significance is a milestone that estimates the point at which OCW should no longer require contributions from the City of Washington general fund.

***Summary – Section 8***

- *Goal # 1 - Develop a new comprehensive marketing plan for Washington-Warren Airport.*
- *Goal # 2 - Maintain a working and political relationships with federal, state, and local funding agencies.*
- *Goal # 3 - Identify new funding opportunities for infrastructure improvements.*
- *Goal # 4 - Increase fuel and services sales to GA and corporate aviation customers.*
- *Goal # 5 – Broaden awareness of the Opportunity Zone*
- *Goal # 6 – Raise OCW’s reputation and increase awareness.*
- *Goal # 7 - Attract new specialty air service providers to Washington-Warren Airport*
- *Measure, execute an action plan, track results, and re-evaluate annually*

# OCW Capital Projects Timeline

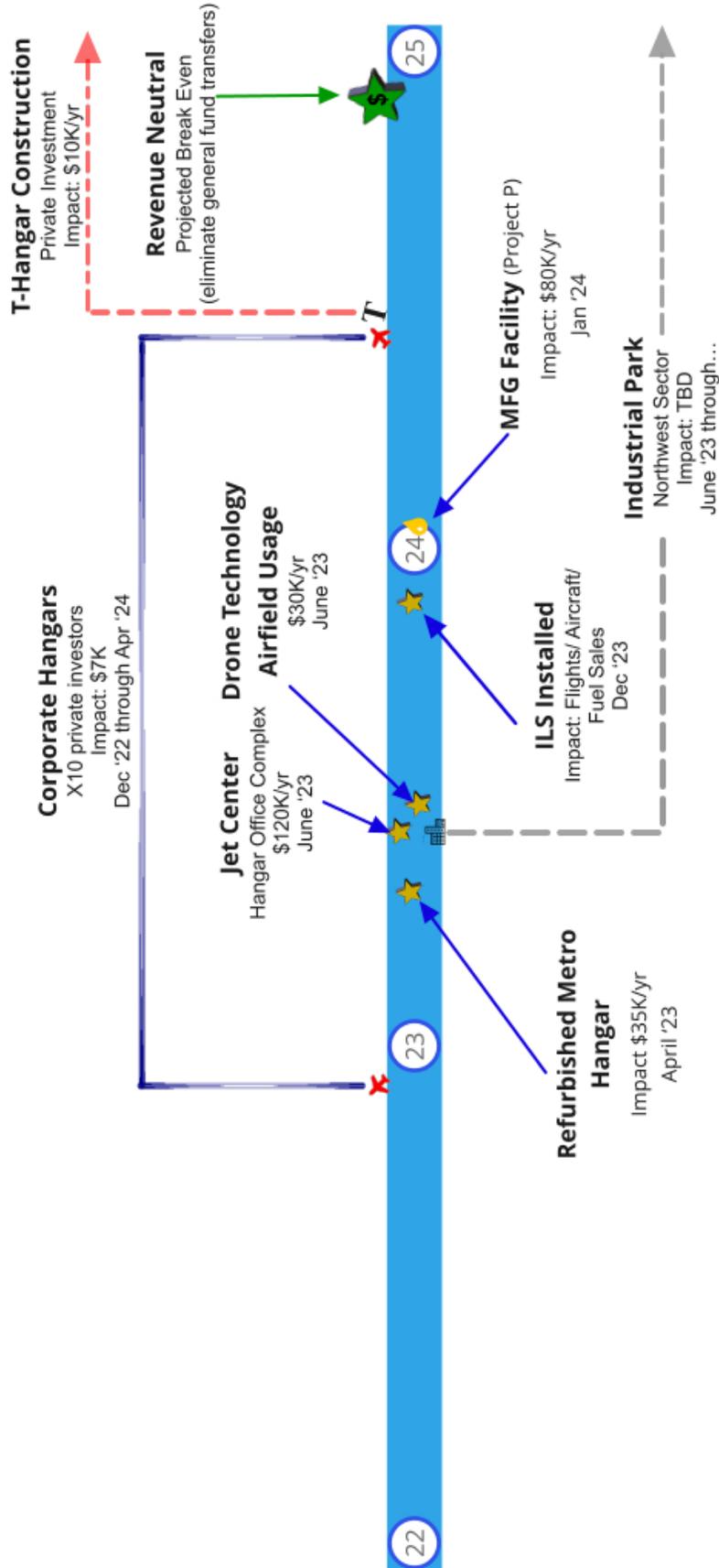
## Estimated Completion Schedule



- Timeline indicates calendar year.
- Milestones indicated are completion dates.



## Revenue Generating Milestones



October 2022

\*Increased tax revenue is not represented on this timeline.

## List of Acronyms

AAC – Aircraft Approach Category  
ACIP – Airport Capital Improvement Project  
ADG – Airplane Design Group  
ADIGP – Airport Development Investment Grant Policy  
ADS-B – Automatic Dependent Surveillance – Broadcast  
AFB – Air Force Base  
AIP – Airport Improvement Program  
A&P – Airframe and Powerplant  
APMS – Airport Pavement Management Systems  
ARC – Airport Reference Code  
ASBP – Airport Strategic Business Plan  
AST – Airport Strategy Team  
BCED – Beaufort County Economic Development  
CIP – Capital Improvement Project  
DOA – (North Carolina Department of Transportation) Division of Aviation  
ECCG – Coast Guard Air Station Elizabeth City  
ECU – East Carolina University  
FAA – Federal Aviation Administration  
FBO – Fixed Base Operation  
FOD – Foreign Object Damage  
FY – Fiscal Year  
GA – General Aviation  
GAA – General Aviation Airport  
GDP – Gross Domestic Product  
GPU – Ground Power Unit  
GROW – Goal, Reality, Options and Will  
GSE – Ground Support Equipment  
ILS – Instrument Landing System  
NCDOA – North Carolina Department of Administration  
NCDOT – North Carolina Department of Transportation  
NPE – Non-Primary Entitlement  
OLF – Outlying Landing Field  
QOF – Qualified Opportunity Fund  
ROI – Return On Investment  
SASO – Special Aviation Service Organizations  
SMART – Specific, Measurable, Attainable, Relevant and Time Bound  
STEM – Science, Technology, Engineering and Mathematics  
STIP – Strategic Transportation Investment Plan  
SWOT – “Strengths, Weaknesses, Opportunities and Threats”  
TDA – (Washington) Tourism Development Authority  
TSA – Transportation Security Administration  
UAS – Unmanned Aircraft Systems  
USCG – United States Coast Guard  
USNG – United States National Guard  
WTDA – Washington Tourism Development Authority

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Other Terms

AvGas – aviation gasoline

Jet A – kerosene-type jet fuel

NextGen – Next Generation Air Transportation System

OCW – International Air Transport Association airport code for Washington Warren Airport

UNICOM – Universal Communications