

Open Work Session

Letter of Support for Rural Maryland Economic Development Fund Grant

August 2, 2022

Mr. Dave Ryan, Executive Director of Salisbury-Wicomico Economic Development (SWED), came before Council. He said they are asking for a letter of support for a grant application to the Maryland Department of Commerce via the Tri-County Council.

Mr. Ryan explained, back in February, the State of Maryland offered grant funds to the five regional councils in the State to be used for the attraction and retention of business jobs and overall economic activity. He said the more jobs the better, and the more economic impact, the better. He said regional projects were encouraged, and for this project they reached out to their neighboring jurisdictions, but everybody wants to be friendly until they have to divvy up \$10 million dollars for a regional project. He said he thinks the consensus is pretty much \$3.2 million per County.

Mr. Ryan said they have one project to propose, which is an extensive project and a comprehensive project, he believes, but it is to enhance the growth and development of the Salisbury Regional Airport. He said the purpose is to retain and grow scheduled airline service for their region and their County. He said the purpose is to grow the aviation and aeronautics sector so they are more resilient and have another cluster of jobs for their community in the years to come. He said the purpose is to offer a pipeline of talent for the industry Countywide in general, and the airline specifically for aviation mechanics, but he would say they have had a great deal of interest from other industries other than just aviation. He said this program they are proposing, and he will get to it in a second, teaches hydraulics and electronics, electricity, welding, soldering, and composite work, which are all trades that are in demand in a great way across their County. He said the purpose is to create meaningful career opportunities and a pathway to those career opportunities for area residents, and the purpose is to build that foundation so they can really create solid economic growth and development at the Airport.

Mr. Ryan said they propose to do that in three ways; one is to establish an FAA certified aviation maintenance technician program at the Salisbury Regional Airport. He said this is a 1,900 hour certification, and at the end the student will get a certificate and be eligible to sit for the airframe and powerplant (A&P) certification exam to become an A&P certified mechanic. He said the University of Maryland Eastern Shore (UMES) would be their operator and their partner for this. He said the University has an existing aviation science degree four year program, and they have an existing pilot training program, and with this they will have an aviation mechanic program, albeit on a certificate basis, which is a 12-month school.

Mr. Ryan said secondly, they propose to create a strategic plan for the Salisbury Airport, and this would set the foundation, the vision, the goals, and objectives that align with the Airport's masterplan for future development using all of the amenities at the Salisbury Airport with particular focus on the school and how they further exploit that for more jobs and economic activity at the Airport.

Mr. Ryan said third, they propose to pursue shovel-ready sites for development opportunities at the Airport. He explained, shovel-ready sites are those sites that have been designed and engineered, and permitting issues have been addressed so that a user can reduce the time to actual construction, and they think they can eliminate that time by 12 to 18 months or so, which reduces risk for the County and reduces risk for the user, and it allows them to create more jobs quicker.

Mr. Ryan said, when they think about it, they have a great Regional Airport here, they have an airline that is headquartered here that has a large maintenance base here, which is why they have retained commercial scheduled airline service over the years, and an HBCU with the four-year aviation science degree program, a pilot training program, and now an A&P program, so it is a robust offering that is perhaps unparalleled anywhere else in the country, so they are seeking a letter of support for this project.

Ms. Acle said this is an absolutely amazing plan, and she could not be more excited to see their tax dollars being used to bring sustainable jobs. She said she thinks that Mr. Ryan really went above and beyond here. She said Mr. Ryan said this is in conjunction with UMES, to which Mr. Ryan responded, it is, and the airlines. He said they have been at this for about a year and a half and they had no clue, but they just knew there was a need, and it is an important need and a timely need, but they did not know how they were going to fund it a year and a half ago. He said a considerable amount of work has been done, but a considerable amount of work needs to be done, and they have very, very strong partners in the County, the State of Maryland, the Tri-County Council, Piedmont Airlines specifically, and a host of other industries they have talked to from Chesapeake Shipbuilding to Delaware Elevator and a lot of other companies. He said UMES offers real staying power and can really spread some of those costs out because of the other programs they offer. He said the students completing this certificate at their option can transfer all of those credits toward a four year degree at UMES if they so choose, that is up to them.

Ms. Acle asked if this is the only program in Maryland, to which Mr. Ryan responded, there are other aviation maintenance technician programs in Maryland. He said one is at Hagerstown and it is operated privately by a company called Pittsburgh Institute of Aviation. He said, outside of that, Delaware Tech has a program in Georgetown, and there may be another one, but he is not sure that he knows the answer to that.

Mr. Dodd thanked Mr. Ryan for coming tonight. He said he does support this and anything that enhances their Airport, but one thing he was wondering is why the program is not going through the community college as it is not a four year degree. Mr. Ryan responded, they approached Wor-Wic early on in the process and they have had mild interest. He said there is not a community college in America he thinks that perhaps does not lose money on an aviation program as it is not an inexpensive endeavor, it is an expensive program to start up. He said, if they are thinking about engines and planes, once they start this he thinks they are going to see significant investment from the airline and other airlines into the particular program, but one reason is the staying power of UMES. He said they have about 30 pilots in their training program now, which is good for the airline. He said, if anyone is flying today, the planes are going to be full, the tickets are going to be expensive, flights are going to be iffy as far as being on time or canceled, and some people are going to be a little testy out there given the environment they have today. He said some communities have lost air service, such as Toledo, Ithaca, Islip, and Dubuque, Iowa more recently, and he suspects more in the future, but he does not think Wicomico County is them. He said this is the best way they can retain that and grow it. He said UMES has staying power and he thinks they can spread costs instructor-wise as they are going to have multiple instructors here, and then the credits can transfer to a four year program. He added, they do have a presence at the Airport now with the pilot training program, which is housed at the Airport.

Mr. Hastings said he was going to mention there are communities across the country that are losing their air service, and Wicomico certainly does not want to be one of them. He said, especially over the last six years, they have put a lot of money and a lot of investment into the Airport. He said he spent six

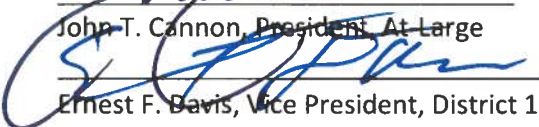
years on the Rural Maryland Council, and the point of these kinds of grants is to have regional projects, and this is something that will benefit the entire Lower Shore, so that will then allow them to train folks here and then hopefully they stay here. He said that then keeps the Airport humming that this is a place that continues to grow in the future, so he appreciates Mr. Ryan helping to lead on this and putting it together. Mr. Ryan thanked Mr. Hastings for his support and said Mr. Hastings is quite right, but they have to offer real value for companies to locate here, and that real value is talent, and what better way for a County to grow than to invest in its own people in meaningful careers that are here that will also unapologetically attract new businesses to the community.

Mr. Cannon asked for a consensus from Council in favor of sending the letter of support, to which there was a consensus.

There was no further discussion.



John T. Cannon, President At Large

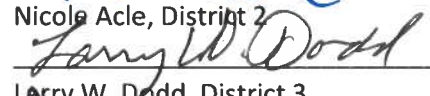


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