



To: Members of Council – Tiny, Midland, Penetanguishene

From: Municipal CAOs - Tiny, Midland, Penetanguishene – Ownership Group

Report Number: CAO-002-21

Meeting Date: January 25, 2021

Subject: **Strategic Development Plan for the Huronia Municipal Airport - Next Steps**

Background/Analysis

In May of 2018 the Huronia Airport Commission (HAC) convened a meeting of the owner group (Town of Midland 50%, Town of Penetanguishene 28% and of the Township of Tiny 22%) to discuss the following:

“To inform the municipal owners of the financial and resource challenges confronting the asset. To engage the owners for the purpose of defining a strategy to address the concerns. To work with the owner municipalities on a plan to assure sustainability. To maintain enhance current service levels, respond to future demands in an effort to grow the value of the asset and reduce municipal financial support.”

At that meeting, three major issues were identified, including: long term capital infrastructure investment, immediate need for a replacement fuel system, existing governance model. Following that meeting, senior staff from the ownership group met and recommended to each Council that the group commission a strategic business review of the Huronia Municipal Airport (HMA).

In late 2018 the joint municipal owners each approved funding to undertake a business review of the HMA. This study was primarily to develop a long-term strategic business plan to address governance, airport operations and financial sustainability of the HMA.

The Loomex “Strategic Development Plan for the Huronia Municipal Airport – Final Report” (Appendix 1) was completed by the Loomex Group in July, 2019 and shared with the HAC (Huronia Airport Commission) and the joint ownership group in November 2019. Comments from the HAC on the final report are attached as Appendix 3.

The CAO’s from the ownership group met in February 2020 to review the report and jointly develop an implementation strategy. It was decided that a joint report and workshop outlining “next steps” would be advantageous to foster better understanding of the report and greater intermunicipal cooperation for implementation of the recommended actions. It is recommended that the HAC be an active participant in this process.

Due to the Pandemic there was a delay in the group CAO’s to meet with the Commission to establish next steps. The 3 CAO’s from Midland, Penetanguishene and Tiny started to meet with

HAC due to delays in the installation with the new fuel system. The CAO's also have reviewed the Loomex Report with a meeting with Loomex to gain a full understanding of the report and recommendations.

Subsequently, the CAO's requested to be present at the November 26, 2020 HAC meeting for an overview presentation by Loomex (Appendix 2) and also to discuss steps forward. The CAO's requested the HAC to provide a report for their input and recommendations based on the Loomex Report and also the objectives of the HAC. The report was completed and submitted to the CAO's on December 16, 2020 (Appendix 3).

Options/Alternatives

It should be noted that this report has been drafted under the assumption that the ownership group (municipal councils) do not individually or collectively wish to dispose of the airport facility/land. This course of action remains an option but would require a separate joint report to the ownership group.

The Loomex "Strategic Development Plan for the Huronia Municipal Airport - Final Report" provides a number of key recommendations which are supported by the municipal CAO's.

Based on the forgoing, the following recommendations should be considered by the ownership group, in order of sequence:

Revised Governance Model:

- Municipally owned with contracted professional airport management services
- Advisory Board Model
- Skills based board participation including senior municipal staff (knowledge of finance, planning and operations)
- Invite Tay Township to join in the ownership group
- Undertake a 5-year Strategic Plan

As an Economic Development Driver:

- Develop a formal relationship with the Economic Development Corporation of North Simcoe (i.e. joint/combined Board/appointments)
- Explore and develop partnership opportunities with colleges (i.e. flight schools, aviation studies)
- Adopt a regional foreign direct investment strategy (i.e. investment readiness review)
- Align business development strategies with upper tier, provincial and national efforts to position for business growth, investment promotion and infrastructure funding opportunities
- Focus on development opportunities including business opportunities on and off the airfield through the development of vacant land
- Improve broadband services to the airport

Financial and operational considerations:

- Position as a full service and maintenance airport for General Aviation aircraft
- Develop a comprehensive capital asset replace program
- Adopt best practices

Should the ownership group wish to proceed with the above recommendations it is recommended that a Task Force be formed to develop an "Implementation Strategy – Next Steps Report" for

consideration by Council. This Task Force should include in its membership senior municipal staff, and representation from the Huronia Airport Commission, EDCNS and NSCFDC.

Financial Implications

There are no financial implications associated with this report at this time.

Conclusion

Given the unique ownership structure of the Huronia Airport, it is vital that the ownership group along with interested stakeholders jointly develop and approve an implementation plan based on the Loomex "Strategic Development Plan for the Huronia Municipal Airport – Final Report".

For the "Implementation Strategy – Next Steps Report" direction to be provided by Councils for staff direction based on the information provided. The goal would be to provide a detailed long-term development/implementation plan from both an operational and capital perspective with aim to ensure the growth and sustainability of the airport asset.

The CAO's will provide suggested next steps following this joint meeting for items like task force concept and composition, timelines, overall objectives, etc.

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| Attachments:

Appendix 1 – Loomex Strategic Development Plan for the Huronia Municipal Airport – Final Report
Appendix 2 – Loomex Power Point Presentation
Appendix 3 – Huronia Airport Commission Comments on Strategic Development Plan for the Huronia Municipal Airport – Final Report