

The COPA Guide to Public Airports

21st Edition – May 2011

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Wetaskiwin AB

Introduction

COPA regularly gets requests from airport operators and also from municipalities for information and advice on running their public airports. This may seem odd since COPA is an association of airplane owners and pilots, and not of airport operators, but it is appropriate for several reasons.

Firstly, our members spend a lot of time at airports and have a lot of information on what makes an airport attractive to our sector of aviation. Secondly, many of our local chapters, COPA Flights, are involved in managing or operating airports and aerodromes. In fact several of our Flights own them. Thirdly, some of the most successful public airports in Canada are run by professional airport managers who are also pilots and active members of COPA. The Association has a lot of expertise in its ranks and these members have not been shy about passing on the secrets of their success over the years. This Guide combines the experience of these people.

Scope Of This Guide

This COPA Guide is designed to give you some basic information about successful airports; what makes them successful and how they can be managed to attract all sectors of aviation and be appreciated by the community for their economic and social benefits.

Suggestions for improvements to this COPA Guide are welcome! COPA updates and rewrites its COPA Guides on a regular basis to keep them up to date and relevant. Send your suggestions for improvements to copa@copanational.org.

NOTE

This guide contains information of a general nature only. It should not be considered a definitive document on airports or federal jurisdiction. Use of this guide does not make COPA responsible for legal action taken against you. Individual circumstances involving aerodromes and the law vary greatly. For information that applies to your individual circumstances consult an aviation lawyer.

Successful Airports

Successful airports have lots of air traffic, businesses, support services and resident aircraft. They also have full support from the community and are considered as transportation infrastructure, just like highways, roads, and sidewalks.

Most airport operators agree that the key element is that a successful airport provides the services needed in its community. This can take many forms:

- ✓ A facility to allow medevac flights to take sick and injured members of the community to distant hospitals
- ✓ A facility to bring forest fire-fighting aircraft into the community when they are needed
- ✓ A facility to bring business and commerce into the community
- ✓ A facility for courier operations – for moving mail and packages into and out of the communities, including banking support services
- ✓ A facility to bring tourists and visitors to the community to spend their money visiting the local sights, staying in local hotels and eating in local restaurants and thereby greatly contributing to the local tax base through those businesses
- ✓ A port-in-the-storm for aircraft in need of a place to land when the weather deteriorates

- ✓ A base for agricultural aviation to provide crop spraying, pest control and other services to farmers and residents
- ✓ A base for flight training so that people can learn to fly in their own community
- ✓ A base for charter operations to carry people and goods in and out of the community
- ✓ A needed adjunct for an industrial park, providing just in time delivery for manufacturing and to delivery company executives with a minimum of delay.
- ✓ A facility for population evacuation in the event of a natural disaster in the area
- ✓ A facility to bring in disaster and relief supplies when a natural disaster strikes the area
- ✓ A facility for scheduled airline service to bring business into the community and goods and services out
- ✓ A base for Search and Rescue (SAR) operations to be carried out from – both for Canadian Forces SAR aircraft and CASARA resources
- ✓ A recreational facility for local residents to use and for pilots to fly from
- ✓ A focal point for community gatherings and events
- ✓ A destination for school field trips, Scouts, Cubs and Air Cadets
- ✓ Your community's link to the outside world!

*Airports Are **Not** Big Business!*

Airports are transportation infrastructure, but in some communities in Canada there have been attempts to treat them as if they are “Big Business” in themselves.

Communities that believe that their airport is “Big Business” have different expectations. These often include:

- ✓ The airport should be self-supporting financially, just like a commercial shopping mall, factory or shoe store
- ✓ That the airport should be taxed as a commercial venture based on its occupied space and land footprint, including the runways, taxiways and in-field space

- ✓ That the airport should bring goods, services, visitors and commerce into the community at no cost to the community

Often this belief has developed because many local airports were originally built, run and paid for by the federal government. However, the Transport Canada [National Airports Policy](#) paved the way for these facilities to be transferred to the local community for a nominal amount.

The local municipal government often accepted the airport from the federal government only with the understanding in the community that the airport would not cost local taxpayers anything and that local taxes would not rise as a result. In the case of some small number of airports this could be done, but a [federal government small airports study](#) found that in the majority of cases this was a false expectation and many of these transferred airports are suffering because of a lack of financial support.

More enlightened communities realize that airports are not “Big Business”; they are transportation infrastructure and need to be treated like any other form of transportation infrastructure – roads, sidewalks and highways. Nobody expects roads and sidewalks to be self-supporting!

The role of all transportation infrastructure is to act as economic generators and bring business into your community. There are effective ways to generate revenue from airports and some smaller airports can be self-supporting even without airline service.

The Economic Impact of Airports

[The COPA website has several examples of economic impact studies](#) that illustrate the enormous positive impact of smaller airports and how the benefits greatly outweigh the costs to a community.

One of these studies looks at Calgary airports and shows that in 1997, the Calgary area corporate and general aviation communities contributed:

- ✓ 1534 full-time jobs
- ✓ \$69.2 million in annual labour income
- ✓ \$176.5 million in operations & maintenance expenditures
- ✓ \$36.8 million in annual tax base, including \$3.1 million paid in municipal taxes
- ✓ \$310.4 million in gross revenue activity

When indirect and induced forms of economic activity are included, this sector contributed:

- ✓ 4938 full-time jobs
- ✓ \$207.5 million in annual labour income

- ✓ \$337.9 million in value-added GDP activity

The study of the Nelson BC airport shows that in 2001 even this small-sized community airport has a total economic output of \$10.7M, 41 fulltime jobs and total employment income of \$1.7M.

The study of Springbank Airport near Calgary, done in 2004, shows that even this smaller airport had a total economic impact of \$100M on the local area.

The 2007 study of the Oshawa Airport illustrates how far too often municipalities focus on only what they are putting into an airport and not what is coming back to the community. In Oshawa's case, the City put in about \$140,000 in 2006. City councillors were very surprised to learn that the airport generated \$2 million in taxes alone and the total financial impact was almost \$58 million. Not a bad return on investment.

These studies clearly show that airports contribute significantly to the community, like any other form of transportation infrastructure.

The National Airports Policy

Transport Canada introduced the [*National Airports Policy*](#) in 1994. The fundamental tenets of the policy were that:

- ✓ TC is not going to run airports anymore
- ✓ Local communities are best positioned to run airports.

The policy states:

“Locally-owned and operated airports are able to function in a more commercial and cost-efficient manner, are more responsive to local needs and are better able to match levels of service to local demands.”

The *National Airports Policy* was introduced by then Transport Minister Doug Young. In January 2003 the *Globe and Mail* quoted Young as saying that he regretted handing control of Canada's airports over to the regional agencies. He also said that the *National Airports Policy* was the worst decision of his career.

From COPA's perspective, traveling across Canada and dealing with complaints from members and airport managers alike, it is clear that the *National Airports Policy* has been a failure for many airports. Municipalities, aviation businesses, pilots and local citizens have to find solutions, but after several years of trying, options are running out. In fact, the transition funding received from the feds as an enticement to taking over the airports

has run out at most of the airports, thereby exacerbating the problems. It is not all bad news though, because some communities have found models that work, others clearly haven't.

Perhaps one of the largest problems created by the *National Airports Policy* is that it has left the future of many airports in the hands of local politicians and municipal officials who often have little or no expertise in aviation and running airports and who start from the premise that airports are “Big Business” and must therefore pay for themselves. In addition, decisions are being made without considering the effects on the surrounding airports or indeed how the decision affects the national transportation infrastructure.

Transportation Infrastructure Comparisons

So how do municipalities treat airports and how should they treat airports?

Airports are transportation infrastructure, just like roads, highways and sidewalks. Airports should not be treated as “special cases”; they should be treated like other similar infrastructure.

In assessing how to fund your local public airport these are useful questions to ask:

- ✓ How is other transportation infrastructure treated in your community? Is it a community resource or a business?
- ✓ Who or what agency is responsible for the planning and maintenance of other transportation infrastructure in your community, like roads, highways, and sidewalks?
- ✓ How are other forms of transportation infrastructure funded in your community? Are roads, highways, and sidewalks funded from taxes or from user fees or a combination of both?
- ✓ Would your community consider having private companies run the roads, highways and sidewalks and charge user fees to break even or make a profit?
- ✓ What would be the impact on your community if there were fees to use your roads, highways or sidewalks?

Does the model used currently for funding roads, highways, sidewalks and other transportation infrastructure work in your community? Does it attract businesses to locate in your community or drive business away? Does it attract residents to your community where they buy homes and pay taxes? Does it attract visitors and tourists to your community?

The Question of Fees

Landing fees are not attractive to people who fly small aircraft for personal transportation and recreation for a number of reasons. Runways are transportation infrastructure, just like roads. People do not expect to pay a toll to drive on a most local roads and pilots do not expect to pay a toll to land on most runways. Having said that, most pilots do appreciate that there are costs involved in maintaining roads and runways and someone has to pay. Road maintenance is normally funded by the taxpayer so it is logical to conclude that runway maintenance should be funded by the taxpayer. However, the reality is that the various levels of government do not look upon runways the same way that they do roads. So, airport managers sometimes are stuck with finding ways to fund their airport and a natural place to look is to those who use the runways.

Another reason why landing fees are not acceptable to pilots is that they know that they are already paying for services at the airport and the airport realizes revenue from the use of these services. For example, many airports, especially ones that are/were owned by the Canadian government, have fuel concession fees included in the fuel price. This five cent per litre fee on 100LL was negotiated with the federal government by COPA many years ago as our sector's contribution in lieu of a landing fee. Paying another landing fee where a fuel concession fee is in place is considered double charging by many pilots.

COPA's position on landing fees where no fuel concession fee exists is that it is reasonable to charge a landing fee but any fee over \$10 will result in pilots avoiding the airport. Why \$10? An average small aircraft refuels with about 150 litres, which will bring \$7.50 to the airport when a fuel concession fee is buried in the fuel price. So, most pilots would accept a \$10 landing fee at airports where there is no fuel concession fee.

A concession fee on fuel is the fairest way to distribute the burden of landing fees. Larger aircraft, which tend to use more airport facilities, will take more fuel and consequently pay more in fees. Collection costs will be minimized. Itinerant aircraft will make relatively small contributions through fuel purchase while resident aircraft will make substantially more contributions, commensurate with their use of the airport.

Another reason for not accepting a landing fee is that businesses located at the airport provide services to visiting and resident aircraft. These businesses make lease payments to the airport and they are able to pay the airport only if they have customers. Customers who are sensitive to landing fees and will avoid the businesses and consequently the businesses will have difficulty meeting their lease payment commitments. If landing fees are in place, a good way to address this issue is to waive the landing fee whenever a service is purchased. It is relatively easy to administer and businesses will help by supplying a list of aircraft registrations to the airport each month so that they can be struck from the landing fee list.

Another consideration should be that resident aircraft contribute much more to the airport in fees than simply a fuel purchase. They pay tie-down or hangar rental fees to the FBOs and a portion of these fees goes to the airport, mostly via the lease payments that the FBO

makes to the airport. The resident aircraft are also maintained by businesses located at the airport and again a portion of the fees that the aircraft owners pay to the businesses goes to the airport through the business lease payments. So, landing fees should not apply to resident aircraft because of the significant amount that they contribute to the airport through purchase of fuel and other services.

In the case of an airport that is used by both the airlines and small private aircraft, using a rationale for landing fees that improvements made to the airport have to be paid for by landing fee increases is usually countered with the argument that few, if any, of the improvements are needed by our sector of aviation.

No matter what fee structure the airport management chooses to put in place, it is crucial to involve airport tenants and representatives of users of the airport in discussions leading to fees or fee changes in the same way that fees for other public infrastructure are considered only after consultation. Otherwise, airport management can expect significant resistance simply because it is unfair to impose any fee for a public facility without first consulting with the public.

There is an issue with charging \$10 or any other relatively low fee. The cost to send out invoices and process receipts in many cases is at least \$10. So the airport achieves nothing by charging a minimal fee except that they annoy their customers and lose business as pilots avoid the airport. Charging a higher fee to collect a higher net amount is not the answer because it will result in fewer aircraft using the airport and consequently less revenue. Assuming that the goal is not to drive GA away from the airport, there are ways to deal with this issue. A fuel concession fee is a great way to minimize collection costs but if airports insist on charging a landing fee, the obvious solution is to not charge aircraft that are less than a certain weight. Above that weight, most aircraft owners will accept a higher fee that will net the airport some income after the cost of processing and collecting. A good minimum weight is 2000 kg, which exempts most small private aircraft.

If airport owners insist on charging everyone a fee, the least complicated way to deal with the collection cost issue is to not trigger an invoice until a certain number of landings occur. For example, if the minimum fee to net a certain income is \$30, the landing fee could be set at \$10 but an invoice would not be generated in any given month until three landings occur for any given aircraft. This approach would work for most itinerant aircraft because they would not fly to the airport very often anyway so there would effectively be no fee. It is uncomplicated, easy to administer and would ensure that the airport remains attractive to itinerant private aircraft. This would not work for resident aircraft because the annual amount for any aircraft that flies at least three times per month would be considered too high by many owners. Negotiation with resident aircraft owners should be done to determine the amount that would be reasonable for that particular airport, considering what they already pay to be at the airport in rent, tie-downs, fuel etc. A monthly or annual fee should be the goal for these aircraft, regardless of number of landings. The owners should also be able to choose to pay the same fees as itinerant

aircraft if their circumstances fit that fee profile. They can inform management on an annual basis regarding which option they will choose.

Fees are a complicated issue and one size does not fit all. When the big picture is considered, including the impact on tenant businesses and the contributions personal aviation makes in other than landing fees, most airport managers in Canada conclude that it is best to exempt our sector from landing fees.

Some airports have conducted “experiments” to see if they can raise money by charging fees on private aircraft, while others have avoided that course of action.

The following article shows the results of these experiments by one airport.

Sault Airport and Landing Fees

Some years ago the Sault Ste Marie airport introduced a \$12.50 landing fee for all piston-engined aircraft, regardless of weight. The fee quickly drove away light aircraft traffic as Canadian and visiting US private pilots found much cheaper alternative airports. At the time of the imposition of the fee COPA appealed to the airport authority to drop the fee but the airport authority refused to understand our sensitivity to the fee.

In December 2004 the President of the Sault Ste. Marie Airport Development Corporation, Doug Lawson, announced a change in policy for the airport. The landing fee for all piston aircraft below 2000 kg (4416 lbs) was reduced to \$8 and would be waived entirely if any fuel is purchased. Lawson confirmed that the airport wanted to bring back the volume of light aircraft traffic that they used to have at this geographically important airport. He also stated that it had become clear that landing fees for small private aircraft are no longer viable sources of airport revenue. He noted that they have the effect of reducing net revenue at airports, not increasing it.

Parking fees for piston aircraft under 2000 kg were also reduced and waived if the aircraft stays for no longer than 6 hours. Lawson confirmed that discussions with COPA over the years about the fees at Sault Ste Marie played a key role in the new fee structure.

Hamilton Airport and Landing Fees

When Hamilton introduced a \$40 minimum landing fee, COPA met with airport management to educate them on our sensitivity to fees. We managed to reduce the fee but they insisted on at least \$12, despite our advice. So, COPA took a snapshot of movement statistics from before the fee and compared it to after the fee came into effect to see if pilots changed their use of the airport. We also looked at similar and neighbouring

airports in Kitchener and London, who had no fees. The following letter conveys the results of our investigation.

1 December 1998

File: 2.10.5(kp98125)

Mr. G. R. Hutchison
Managing Director
Hamilton International Airport
9300 Airport Road
Mount Hope, ON
L0R 1W0

Dear Mr. Hutchison:

At our meeting earlier this year, we discussed the potential impact of your landing fee on private aviation. I stated that private aircraft pilots are sensitive to landing fees and that a \$12 fee would dissuade a significant number from visiting your airport and the community. We disagreed regarding the affect that the fee would have on movements at your airport but we did agree that we would see over time whether a \$12.00 landing fee would be accepted by the flying community, as reflected in the movement statistics.

I recently received a statistical report, current to the end of August 1998, from Transport Canada for all airports with towers in Canada. Of particular interest are the private aircraft itinerant movements; flights that typically generate revenue for the airport in aircraft services and food sales as well as revenue for the community from taxis, car rentals, hotel accommodations and other expenditures when pilots and their passengers visit the community for business or pleasure. I graphed a comparison of private aircraft itinerant movements for 1997 and 1998 nationally (Figure 1), at Hamilton (Figure 2) and I also looked at the performance of neighbouring airports at Kitchener (Figure 3) and London (Figure 4) to see how the region is performing.

Private aircraft itinerant movements across Canada are up over 1% overall from 1997. Neighbouring airports at Kitchener and London are experiencing a more positive trend with increases of 14% and 16% respectively. At Hamilton, the year started out well with a healthy improvement over 1997 but by March, about the time that your fee was introduced, a significant decline began in comparison with 1997. Is it coincidental that the decline coincides with the introduction of a landing fee?

Private pilots are electing to go elsewhere. As a result, your airport and the local community are losing significant business. Our research indicates that occupants of itinerant private aircraft spend on average \$200 in fuel and food purchases on a stopover at an airport and over \$450 when staying long enough to visit the local community. Even if one looks at this conservatively and assumes that had the fee not been in place the performance at Hamilton would have been the same from March until August 1998 as in 1997, and if one assumes conservatively that \$300 is spent per itinerant aircraft, Hamilton

airport and the community has given up at least \$323,000 in revenue between March and August of 1998. If Hamilton had experienced the same growth in movements as London from March to August, that would represent an additional \$268,000 in revenue to the airport and community. This is in comparison to an estimated \$66,900 taken in from landing fees from itinerant private aircraft during the period of March to August.

From the letters that COPA continues to receive, the fee is still capturing pilots who do not know about it until they receive a bill some time after the flight. They are unanimously saying that they will not return to your airport both because of the fee itself and the fact that it is imposed with no advance notice as would be available, for example, through a notice in the Canada Flight Supplement. So, you can expect that as the word spreads and pilots learn by experience of your fee, private aircraft itinerant movements will continue to decrease at Hamilton despite that fact that nationally, and more so regionally, the movement trend is up.

I believe that it is short-sighted to focus on a landing fee to raise revenue. Your airport has lost aircraft services revenue, and the region has lost taxi fares, car rentals, hotel accommodation, restaurant and other revenue from business and tourist pilots far in excess of the landing fee revenue. I believe that the statistics prove my assertion earlier this year that private pilots are very sensitive to landing fees. I urge you to consider the statistics that illustrate clearly that a landing fee is hurting Hamilton Airport and the community it serves. Rethink the fee and decide in favour of supporting a healthy Canadian private aviation. By copy of this letter I am also urging your Regional government to consider the net affect that your landing fee is having on the community.

Yours truly,

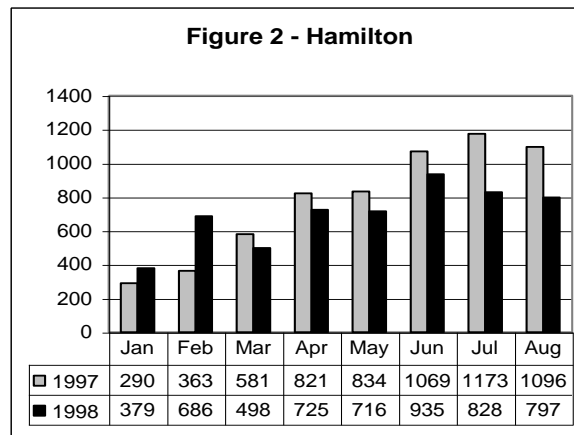
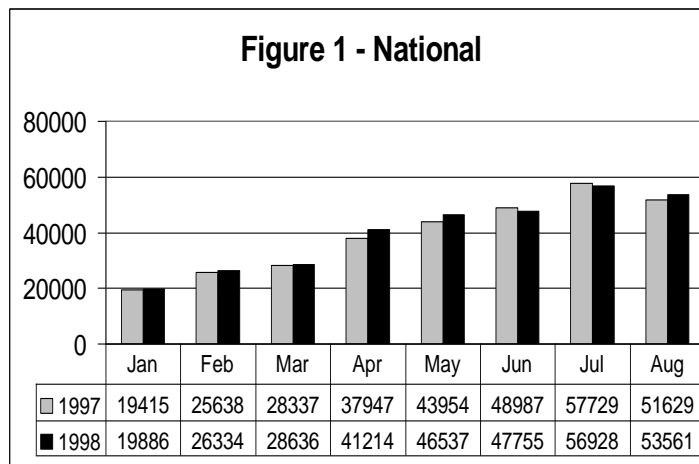
Kevin Psutka
President and CEO

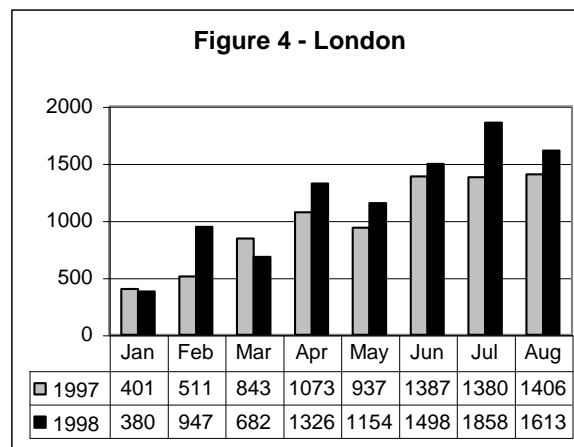
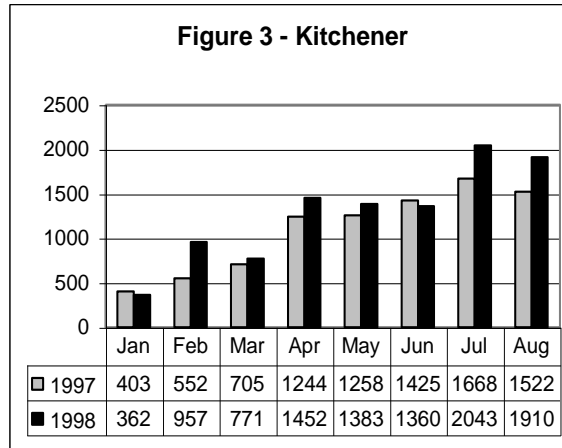
Attachment: Private Aircraft Itinerant Movements

Cc: Mr. Terry Cooke, Chairman, Region of Hamilton-Wentworth
Mr. Eric Grove, COPA Flight 19
President, Airport Managers Council of Ontario
President, Canadian Airports Council
The Honourable David Collenette, Minister of Transport
Mr. Art LaFlamme, Director General Civil Aviation
COPA Board of Directors

Private Aircraft Itinerant Movements

(statistics provided by Transport Canada Civil Aviation Statistics Group)





Hamilton continues to have punishing fees in place. Over the years, GA has abandoned the airport. A long-standing flying club folded, a flight school closed, a Chapter of the EAA moved away and a COPA Flight dissolved.

The 21st Century Reality About Fees on Small Private Aircraft

Here are realities and advice from many years of debates and experiments with landing fees on small private aircraft:

1. Ultimately the decision to have landing and other fees should be a business decision made by the airport operator, based on good market research. Airports do have a right to collect fees if they decide it is the best course of action to do so.
2. If the airport has fees they must be widely advertised so that consumers can make a choice as to where to fly. Ensure that any fees are clearly posted on the airport website,

indicated in the *Canada Flight Supplement* and on the airport's [user-editable page in Places to Fly](#). Legal opinions indicate that unadvertised, unexpected fees are uncollectible under Canadian law.

3. In principle, private aircraft should be charged the same fees that private automobiles are charged in the community. If cars are not charged fees then private airplanes should not be charged fees.

4. Canadian pilots are very sensitive to any fees and will avoid them by going elsewhere whenever possible especially when other services are purchased and landing fees are not waived.

5. The vast majority of places to land in Canada do not have landing fees on small private aircraft and so any airport that does charge a fee can easily be avoided.

6. US pilots typically are not charged fees in their own country so they **HATE** fees and usually express deep moral opposition to them. They will avoid any community that has landing fees of any amount, so imposing fees will drive flying US tourists away from your community.

7. US pilots pay a tax on aviation fuel which goes toward an aviation trust fund, from which many airports receive federal financial support. In Canada pilots pay an excise tax on aviation fuel, which also goes to the federal government but it goes into general revenue instead of being reserved for aviation. Airport owners should add their voice to COPA's and lobby the government for protecting revenue from aviation for aviation instead of treating aviation as a cash cow.

8. A community can easily lose \$500 in hotels, meals, taxicabs and fuel sales because of a decision to avoid a landing fee.

9. The end result of imposing fees on private aircraft is almost always a drastic drop in traffic. Airports like Hamilton have seen a huge reduction in GA movements due to a \$12 fee. Consequently any GA service industries (fuel dealers, avionics shops) at the airport will go out of business and the employment they provide in the community will be lost, along with the airport lease payments they were making and the taxes paid on homes, etc. The negative ripple effect of fees far outweighs the meagre income from landing fees.

One of Canada's more out-spoken airport managers had this to say about the issue:

“Fees on General Aviation aircraft are a cop-out and do the whole airport industry a disservice. It just shows a lack of creativity. Anyone can slap a landing fee on small airplanes and think they have solved the problem of running an airport, but it doesn't work in the long run.”

- Brett Binnie, Wetaskiwin Airport Manager, 12 September 2002

It is not hard to see why many airport CEOs have pronounced that the concept of charging landing fees on small private aircraft has been a failure in Canada.

COPA's "GA Friendly" Criteria



In order to recognize airports that make an effort to welcome our sector of aviation, we have a logo for use on Places To Fly listings.

In order to qualify for a "GA friendly" logo, an airport should meet the following criteria:

- No landing fee for privately registered aircraft or landing fee waived with any service purchased at the airport.
- No landing fee if there is a fuel concession fee (usually 5 cents per litre) in place on avgas.
- Landing fee of \$10 maximum is acceptable only if there is no fuel concession fee.
- No parking fee for less than six hours.
- Tie-downs on pavement or prepared grass area with tie-down points available for itinerant aircraft.
- Avgas available.
- Any fees applicable to private aircraft are listed where they can easily be found on the airport's web site and a notice of fees is in the Canadian Flight Supplement.

How Airports Can Be Funded

If charging fees on small private aircraft has so clearly failed in Canada does this mean that local taxpayers must pick up the bill for the local airport or else close it? No.

There are several models of very successful community airports in Canada that operate on a break-even basis without drawing on the non-airport taxpayers. The next section of this Guide looks at what has worked at small airports around Canada.

Successful Models

There are lots of small and regional airports that have found successful funding formulas in Canada and manage to break-even each year. Here are their secrets to success:

- ✓ Maximize business use of the airport, including commercial lots sold or leased to those businesses that have an advantage in being at the airport, such as:
 - Manufacturing operations that need “just in time parts delivery”.
 - Shipping operations that need access to transportation to ship their products to markets quickly.
 - Business that have corporate flight departments based at the airport.
- ✓ Maximize the location of activities on or near the airport that are not noise-sensitive, such as cemeteries, golf courses, race tracks, amusement parks and industrial parks.
- ✓ Ensure that visiting aircraft are not expected to pay for the airport, as that just chases business away. Every effort should be made to generate revenue from on-airport leases and other local sources so that there would be no need to charge fees to visiting aircraft. Attracting visiting aircraft will pay off in sales to on-airport businesses and in the local economy. Recognize that airports truly are economic generators for the community.
- ✓ Sell hangar lots so that owners can build their own hangars on the airport. Leasing hangar lots is also acceptable if the lease period is long enough (20 years) but selling lots generates more stability at the airport and brings more aircraft owners there than leasing lots.
- ✓ Avoid “vesting clauses” whereby buildings put up on leased land are forfeited at the end of the lease period. Vesting kills investment.
- ✓ If fees are needed to make up shortfalls then the reliance should be on fuel concession fees included in the fuel price rather than “annoyance fees” such as car parking fees, aircraft parking fees and similar fees.
- ✓ Attract airline and larger aircraft that are less sensitive to fees. But do not put all your eggs in one basket by chasing commercial traffic at the expense of private traffic. One economic reality is that airlines often appear and disappear quickly these days. The cost of constructing facilities, such as a new terminal for an airline start-up

may not be recuperated if the airline doesn't last long. Airline pull-outs from places such as Sault Ste Marie and Sudbury in recent years have produced big costs for those airports for little return. Often the small private owners end up being asked to pay, through increased fees, for the under-used airline facilities – facilities that they do not need or want.

Tax Applications

The key to the success of many small airports has been in the application of property taxes.

A municipality can quickly sabotage its airport by how it collects and disburses property taxes. The worst model is where property owners on the airport pay taxes on their hangars and buildings to the city as well as land lease payments to the airport authority. In return for the taxes paid to the city, however, no services are provided. The municipality collects the taxes and expects the airport to be supported by the lease payments. The tax money is used elsewhere. If this model were applied to a residential area of the city it would result in a revolt – it would amount to “pay your taxes and then fix your own road in front of your house!”

In this model essentially the municipality is using the airport as a “cash cow” to generate free tax money where the city provides no services in return and then complains that the airport is not self-sustaining from its lease payments. In marketing circles, this concept is one that is applied to an entity that you do not want for the long term. You milk it for everything you can get, not re-investing for the future and not expecting it to be retained in the long term.

In contrast, airports such as [Wetaskiwin](#), Alberta offer a much better model for the application of taxes in a small airport environment. The City Council there committed to ensuring that “all taxes earned within the airport fence stay inside the airport fence”. This policy, combined with the selling (and not leasing) of hangar lots at the airport, has resulted in substantial growth and sufficient tax revenue, which is reinvested in the airport, to make it a viable, sustainable, long term entity.

Some municipalities are reluctant to consider selling property and applying taxes directly back to the airport, but it should be emphasized that without this tax structure and the sale of hangar lots, the hangars would have never been built in the first place and therefore the tax revenue would be “lost” to the city. In this manner, airports can be self-sustaining and the community gets all the economic benefits of the airport at no cost to tax payers outside the airport fence.

Even at airports where the sale of hangar lots is not possible and leased lots are the only alternative, the same tax model can be applied.

Creative Ways to Raise Funds For An Airport

Beyond fees, land sales and leases, many airports have found creative ways to fund the airport. Here are some that have been noted as working:

- ✓ Rent out the airport for a couple of weekends each year for car or motorcycle racing. Some pilots may object to this, but if done carefully the revenue generated from this can sustain the airport for a long time with little flying time lost.
- ✓ Lease space to a restaurant on the airport. Airport restaurants attract fly-in visitors, often in substantial numbers. Fuel sales will contribute to the airport bottom line along with the lease of space to the restaurant. One of the keys here is to strongly promote the restaurant to let people know it is there! If there isn't the volume of business to make a commercial restaurant viable then in some cases local volunteers have run restaurants on limited hours as airport fund raisers. A great way to attract pilots at airports without food is to have a courtesy car available.
- ✓ Hotels typically pay commissions for bookings from travel agents and other organizations. Develop a relationship with your local hoteliers and collect commissions for the airport coffers from referrals of visiting pilots. Also, promote hotels that will pick up visitors from the airport.
- ✓ Often, smaller airports are located far from the communities they serve. Transportation between the airport and local businesses can be a problem for visiting pilots. Many airports have a courtesy car pilots can use for the price of a donation to cover the cost of maintaining and running the car itself.
- ✓ Some airports have a rack of bicycles that are lent out. These are usually obtained from the local police service and are former "stolen property" that the owners did not claim. This way they can be put back to good use in the community!
- ✓ Offer the airport facilities for community events, such as picnics, sporting events, school field trips, Air Cadets, Scouts and other meetings. This will get members of the community to visit the local airport and bring revenue to keep your restaurant operating. Intangibly it will build support for the airport as a community resource and it may help introduce people to aviation – future customers for the airport.
- ✓ Run regular fly-in events to attract pilots to fly into the airport. This will generate fuel pumpage and also restaurant revenue and perhaps hotel commissions.
- ✓ Organize special flying events to bring pilots to your community. The list can include safety seminars, poker rallies, or fly-in golf tournaments.
- ✓ If possible, earmark unused airport land for non-aviation uses that will generate revenue for the airport. Many airports have set up golf courses or other similar

recreational facilities on airport land. These generate direct revenues for the airport and can also bring in more pilots to visit and buy gas, etc. If nothing else the space can be leased for hay crops.

Airport managers or staff don't necessarily have to do all of the work themselves to make their airport more attractive. See the section on [Volunteers](#) for some thoughts on how to engage others to help out.

Airport Governance

Airport governance is a complex subject. Governance models range from privately owned, one person operations, to complex municipal government organizations, to the large airport authorities that run the major airports in Canada.

Experience in many communities has clearly shown that some models **don't** work well:

- ✘ A separate airport authority made up of appointees, none of whom have any background in aviation does not work in the best interests of aviation, but it is strangely one of the most common situations at municipally-owned airports in Canada. The airport authority typically has no idea what the implications are of some of their decisions, simply because they have no aviation experience on which to draw.
- ✘ A separate airport authority made up of appointees, all of whom are pilots, may be good for aviation but it tends to lack community depth and support as well as airport management experience.
- ✘ The responsibility for the airport given to a municipal department with other priorities such as "Public Works" or "Parks and Recreation" usually ends up neglecting the airport.

The most successful airports have governance along the following lines:

- ✓ A separate governing airport authority, reporting to the municipal council, comprised of representatives of the community who have a stake in the success of the airport, such as :
 - The Chamber of Commerce
 - Commercial aviation businesses on the field
 - Private pilots
 - Flight training schools and the flying club
 - Local hotel, car rental agencies and restaurant owners
 - Municipal council officials
 - Homeowners in the neighbourhood

- ✓ A second choice would be to have the municipality run the airport directly without a governing board and have an advisory group consisting of the above-mentioned people.

Airport Management

Most public airports have an airport manager. This person may be full-time or part-time and may be a paid employee or an unpaid volunteer. In some cases this person is a municipal employee who wears many hats. The manager may also be a public works manager or have some other function within the local government.

All of those scenarios have produced airport managers who can do their job effectively – depending on the size of the airport, the amount of work that needs doing and what other help is available.

The key requirements that are found in any successful airport manager are

- ✓ **Aviation knowledge** – It is not a coincidence that most the successful small airports in Canada are managed by individuals who know aviation, believe in the value of aviation and are pilots.
- ✓ **Enthusiasm for the job** – The job is often a fine balancing act and requires real enthusiasm to prevent getting discouraged.
- ✓ **Creativity** – A successful airport manager has the ability to “think outside the box” on a regular basis!
- ✓ **Good Communication Skills** – A successful airport manager requires the ability to communicate well with the members of the public, pilots, politicians, the media, local businesses and schools and anyone who is affected by the airport itself, which at times involves conflict resolution skills.

While professional airport management training is a definite asset, many of the country’s more successful small public airports are run by people who just have the above characteristics along with good community support.

The Role of COPA Flights and Other Volunteers

Many of the most successful small airports in Canada make effective use of volunteers. In many cases these volunteers are organized as local chapters of COPA, the COPA Flights. The COPA website has [a complete list of the COPA Flights](#) as well as [a guide on how to organize and run a COPA Flight](#).

There are several examples of COPA Flights that actually run small airports on behalf of the municipality that owns the airport. The Flight gathers volunteers and then assigns jobs to them including airport planning, grass cutting, access road maintenance and dispensing fuel. This model is at work in Bancroft, Smiths Falls and Westport, to name a few.

Another model features a professional airport manager who has a cadre of volunteer assistants organized as a COPA Flight. In this model the airport manager plans and directs the work, but much of the labour is done by the volunteers. This enables one manager to have seven-day-a-week coverage at the airport without having to work absurdly long hours. This model has been in use at airports such as Warton, where the *Friends of the Airport (FOTA)/COPA Flight 68* have provided tens of thousands of hours of volunteer assistance to the airport manager at no cost to the airport or the municipality.

Community Owned Versus Privately Owned

Over the years there has been much controversy about whether airports are best run as public or private facilities. There are advantages and disadvantages to both approaches.

The main advantage to airports being publicly owned is that they benefit the community and in this ownership model the citizens of the local community have a direct investment in the facility. If airports are privately owned public use of them is usually on a cost-recovery basis and only those people who directly use the airport contribute to it even though the whole community benefits from its presence.

The main drawback to public ownership is that the airport may be competing for public money with other programs and projects, such as the need to build a new bridge or funding for after-school care programs and parks. It may not have an advocate on City Council to support it.

The main advantage of private ownership is that the facility can quickly respond to local needs and not subject to budget competition with other local municipal priorities. It is also more resistant to anti-airport pressures because there is less politics involved.

The biggest drawback to private ownership is that the airport may not be run in a manner that benefits the community. Excessive fees at an airport will drive away flying visitors and that costs the local businesses money – no hotel stays, no restaurant meals, no cab fares, but the owners of those downtown businesses can't necessarily influence a privately-run airport.

Whether a local airport is publicly or privately owned it strongly benefits the local community by bringing business and visitors into the community and thus bringing investment and prosperity. All communities need to have an involvement of some sort in these facilities to ensure that they remain available to the community and are not bought up or closed and developed into housing and other non-aviation uses.

Local Opposition to the Airport

NIMBY is a well known acronym and stands for *Not In My Back Yard*. It refers to residents who raise objections to the existence of the airport. Their concern usually centres around two primary areas: Noise and Safety.

It is common for some local residents to complain every time an airplane flies overhead, especially if it has just taken off or is landing at the nearby airport. If no satisfaction is reached after calling the airport, determined residents may then take their complaints to local politicians, the media, their Members of Parliament and so on. These people think that it is reasonable to expect peace and quiet at all times and aircraft are a source of annoyance to them, even if they make less noise than cars, trucks or trains passing by. Most pilots are quite noise-conscious and generally abide by noise-abatement procedures as published in the CFS.

However, there are some residents who will not be satisfied until the airport is closed. Of course after that they will go after the boats on the nearby lake or the neighbour's lawnmower as the next source of noise. Satisfying these unreasonable people is sometimes impossible. Often these residents don't appreciate the value of their airport or care for that matter. To them, the airport is just a source of noise. Airport managers can educate these people by holding "open house" events or "barbecues". Nothing helps to build community support more effectively than to demonstrate how the local airport is a valuable addition to the community.

A second concern, as expressed by those who wholeheartedly object to the airport's existence, is their perception of safety. Too many media stories sensationalize aircraft accidents and this leads many to conclude that flying is dangerous. Seeing an aircraft flying over the local playground or neighbourhood can lead many to feel that the safety of their community is at a high risk because a plane "can just crash" – just as they read about in the newspaper or saw on TV.

Airport managers can address this concern through public education about the risks the light aircraft generate. Provide accurate information on what happens when an aircraft engine fails, how often it is likely to occur and what pilots do to keep the risks as low as possible. Educating the members of the media should be a high priority as well.

Many people who are opposed to airports have irrational fears about aircraft and airports. A few years ago one woman opposed a small airport because she was certain they were planning to pave the runway with depleted uranium. She had somehow made a connection between this material being used in bullets with it being suitable as a base for runways. No amount of engineering information or reassurance could convince her that the conspiracy she believed in did not exist.

Another major airport in Canada has a local resident who regularly complains about contrails over his house. The contrails are not even caused by aircraft landing in Canada, but he believes that he should not have to look at contrails in the sky.

Dealing with people who have irrational complaints about airports is more difficult. They usually are not satisfied, no matter what is done. In many cases these people can only be left to complain to the press until the press gets tired of them as well.

Dealing with Noise Complaints

Dealing with noise complaints can be difficult. These usually start with a neighbour of the airport who doesn't like the noise of the airplanes, even though he may start up his lawn mower at 0700 hrs on a Sunday morning.

The best way to deal with noise complaints at a public airport is to have a noise committee to deal with complaints. They assess the complaint for validity and see whether reasonable action can be taken without adversely affecting aviation.

Some neighbours aren't interested in being reasonable - they just want the airplanes gone. In some cases they will appeal to the Minister of Transport as the responsible authority for aviation in Canada. TC has an established formal process to address noise complaints.

The process starts with [CAR 601.18](#), which allows the Minister to make orders restricting aircraft. To ask the Minister to make an order a complainant must complete the first seven steps of the eight step process. The steps are:

1. A description of the problem;
2. Parties consulted. This list shall include all regular owners and operators using the airport, as well as the Air Transport Association of Canada;
3. Alternatives, procedures/restrictions considered;
4. Proposed action and justification;
5. Estimated cost and revenue impairment to all regular owners and operators. This information will be requested from all regular owners and operators using the airport, owners and operators who have indicated their intention to use the airport, and any other owner or operator who may be affected by the proposal. Costs must be submitted within 90 days of being requested;
6. Estimated cost to the airport operators of the proposed action;
7. Forecast noise exposure impact of the proposed action;

8. Decision reported to the public and to the affected owners and operators, as well as the Air Transport Association of Canada.

Needless to say this process ensures that the complainant prove their case and then find a workable compromise. Complete details can be found on the [TC website](#).

Federal Jurisdiction Over Airports

Under *The Constitution Act 1867* all matters involving “Aeronautics” in Canada fall under the sole jurisdiction of the federal government.

In the case of privately owned land aerodromes there is a long history of court cases, starting in the 1920s, which show that municipalities and provinces cannot pass laws that affect them.

There are many court cases that have established the extent of the federal jurisdiction in the case of aerodromes, airports and aeronautics. One of the most important decisions in this area is the famous case of *Johannesson V. West St Paul (1952)*. In this case a municipal zoning by-law prohibiting the establishment of airports or aerodromes within a municipality was struck down by the Supreme Court of Canada.

Some of the key aviation cases in this area include:

- ✓ [*Orangeville Airport Ltd V. Town of Caledon et al \(1975\)*](#)
- ✓ [*Venchiarutti V. Longhurst and Longhurst \(1992\)*](#)
- ✓ [*Greater Toronto Airports Authority V. The City of Mississauga \(1998\)*](#)
- ✓ [*Greater Toronto Airports Authority V. The City of Mississauga Appeal \(2000\)*](#)
- ✓ [*Mullaney V. Red Deer County \(1999\)*](#)
- ✓ [*Regional District of Comox-Strathcona V. Hansen \(2005\) \[The Cortez Island Case\]*](#)

The issue of federal jurisdiction culminated in 2010 when the Supreme Court of Canada ruled on two cases brought to it by the province of Quebec, in which COPA argued in favour of protecting aerodromes and airports. The Supreme Court agreed with our position, reaffirmed previous lower court decisions and even overturned some long-standing contrary decisions. The rulings can be found at <http://www.copanational.org/files/kp10087.pdf> and <http://www.copanational.org/files/kp10087b.pdf>

Federal jurisdiction has a huge impact where private aerodromes are concerned. The [*COPA Guide to Private Aerodromes*](#) contains a lot more information on this subject and is recommended reading for anyone interested in privately-owned aerodromes.

Federal jurisdiction has a completely different impact when the aerodrome is owned by a municipal or provincial government. In these cases, because the municipal or provincial government owns the property, they can regulate it, including requiring building permits for construction on the property. After all, they own it! However, they cannot regulate safety. Only Transport Canada can do that.

Some municipalities have used federal jurisdiction to their advantage to accomplish special projects on the airport lands that otherwise would be encumbered by municipal bylaws. For example, a municipality has constructed hangars and other aeronautical buildings without building permits as a means of making the construction more cost effective for the municipality. This has also enabled the municipality to carry out construction outside the normal parameters of the local by-laws or building codes to construct buildings with closer than the normal side-clearances or lot setbacks, for example.

Even in the case of a municipal or provincially-owned airport, federal jurisdiction can be a useful factor to consider.

Transport Canada and Over-Regulation

There is one thing that all airport managers and most municipal officials involved with airports agree on – certified airports in Canada are over-regulated by Transport Canada compared to other forms of transportation infrastructure. The CAR that governs airports, [CAR 302](#), is a long and very detailed document. Combined with *TP312 – TC Aerodromes Standards and Recommended Practices*, which includes many pages of standards and other regulatory requirements, it all adds up to a very high burden of regulation on airports. In the past there were fewer objections to TC over-regulation because a large number of local and larger airports were owned or financially supported by TC, so they were largely regulating themselves. Since the advent of the *National Airports Policy* in 1994, TC has divested itself of airports and, except for the small amount of money available for those airports that have scheduled commercial air service from the Airports Capital Assistance Program (ACAP), TC has also stopped funding airports. At the same time, TC is insisting on airports meeting all of their regulatory requirements, including ones that TC exempted itself from or simply ignored when they were the owners.

One way to cope with the regulatory burden is for airports to join regional and national airport groups.

Airports That Are Not Airports?

Not all community airports are actually “airports”. Many of them are “registered aerodromes”.

The difference between those two categories is growing in importance over time. At one time virtually all public airports in Canada were “certified aerodromes”, commonly referred to as airports. Since the 1980s Transport Canada has imposed a huge burden of administration and regulatory compliance on airports. This has made retaining certification an expensive proposition. In 2002 TC announced that many of the current 725 certified airports in Canada would no longer be certified, since TC did not have the staff to inspect and regulate all of these airports. The new policy stated that the only certified airports would be those that fit one of the following criteria:

- ✓ Scheduled CAR 704 or 705 service (commuter or airline operations operating aircraft with 10 seats or more).
- ✓ Located within a “built-up area” of a city or town.
- ✓ Where certification is “in the public interest”.
- ✓ Where the airport wants to remain certified and is willing to pay for that status.

TC has indicated that the costs to voluntarily retain certified status would be prohibitively high and that they expect that the number of certified sites in Canada will drop to about 90. Under this TC plan most small airports in Canada will become “registered aerodromes”.

In most cases the impacts of this change are actually positive:

- ✓ Listing in the Canada Flight supplement is retained.
- ✓ The requirement to comply with the onerous [CAR 302](#) regulations and TP 312 standards are replaced with the simplified rules of [CAR 301](#).
- ✓ The requirement for an Airport Operations Manual, Winter Maintenance Plan, Wildlife Plan and other regulatory plans disappears.
- ✓ The requirement to comply with signage and other costly regulations disappears.
- ✓ TC generally does not do inspections or audits of registered aerodromes.

There are, of course, disadvantages to a certified airport becoming a registered aerodrome. These include:

- ✓ Registered Aerodromes cannot have scheduled CAR 704 commuter or 705 or airline service. TC has indicated that regaining certified status would probably take a long period of time and would not be conducive to quick airline start-ups or resumption of airline service.

- ✓ Insurance costs may be more expensive for registered aerodromes.
- ✓ Some private jet aircraft, particularly of US registry, may be restricted by their aircraft insurance company from operating into non-certified aerodromes.

It is likely that in time these last two objections can be overcome by the education of insurance companies as to the new realities of airport certification in Canada.

Becoming a registered aerodrome instead of an airport can be one way of dealing with TC over-regulation, as long as your airport does not have scheduled service or plan to have it in the future.

Airport Associations

So what else can be done about the TC over-regulation of airports?

The most positive thing airport operators, public and private, can do is join and support the associations that advocate for airports and represent you on the *CARAC Part III Airports and Aerodromes Technical Committee* where the rules are made.

Examples of Associations that specifically advocate for airports include:

- ✓ Airport Management Conference of Ontario (AMCO) www.amco.on.ca
- ✓ Atlantic Canada Airports Association www.acairports.ca
- ✓ Aviation Alberta www.aviationalberta.com
- ✓ British Columbia Aviation Council www.bcaviation.org
- ✓ Canadian Airports Council www.cacairports.ca
- ✓ Manitoba Aviation Council www.manitobaaviationcouncil.ca
- ✓ Ontario Community Airports Group Cooperative airport@halhinet.on.ca
- ✓ Regional Community Airports Coalition of Canada www.rcacc.ca
- ✓ Saskatchewan Aviation Council www.saskaviationcouncil.ca

Supporting these organizations is a good way to give airports a stronger voice in Canada.

Promoting Your Airport to the Flying Public

Getting the word out that your airport is a major economic and social contributor to the community can be an uphill battle. The most effective approach is a multifaceted information campaign, including:

- ✓ Sending press releases to the aviation and general press (including local radio and TV) about activities at your airport
- ✓ Building your own airport website so that pilots can find information about the airport
- ✓ Listing your airport and keeping the information up to date on COPA's [Places to Fly](#) interactive user-editable database.
- ✓ Organizing events that will draw pilots to the airport and give you an excuse to issue press releases!

Promoting Your Airport to Your Own Community

COPA has a brochure entitled *Your Community Airport – An Aviation Gateway* that can be used to show the members of your community, including your municipal government officials what the value of your airport is. You can [download this pamphlet for printing](#) or you can request professionally printed paper copies from copa@copanational.org.

The Future of Airports in Canada

On the one hand there are the regulatory pressures imposed by TC and local citizens' groups want the local airport closed. Airlines in Canada tend to experience cyclical economic difficulties resulting in less service and abandoned routes. Airports that build terminals or renovate old buildings to accommodate airlines have found themselves without airline service a few months after the large investment in infrastructure. Local property developers pressure City Council to sell the airport lands so they can make a lot of money building houses on the land.

The good news is that TC stats show that the number of small, private aircraft in Canada continues to grow. Canadians are increasingly interested in flying and owning their own aircraft to travel in.

There are many successful smaller airports in Canada that are serving their communities by bringing business, services and visitors into town. By using methods and models that

have proven successful in other parts of Canada more small public airports can share the same success that is seen in places like Wetaskiwin, Hanover, Smiths Falls, Westport and Warton.

As the most successful small airport managers have shown a combination of these factors helps enormously:

- ✓ Know your flying customers and what they need
- ✓ Make good use of volunteers
- ✓ Market your airport to your own community to build support and do this on an on-going basis
- ✓ Find effective partnerships to promote and grow the airport.
- ✓ Support those organizations that support airports

The experiences of the successful smaller airports in Canada show that airports can thrive and help to bring business and prosperity to your community.

Appendix A - An Article About Support For Community Airports

Community Airports Add Value

By Bob Kirkby

In 19th century Canada the vast majority of cities and towns in Canada were located along a railway line. There was a very good reason. Trains brought people, food, supplies, clothing, mail and much more to our Canadian communities. They facilitated commerce. Communities without rail service were isolated. Every community not on a line longed for the day when they would be large enough to justify a railway line and train station of their own.

The first quarter of the 20th century saw the automotive transportation mode beginning to complement the railways and extend their reach. Isolated communities became less isolated and roads became the great connectors. Communities now sought roads or road improvements to connect them to this developing transportation network. The rate of expansion and development of our country took a leap forward.

By 1930 aircraft designs had progressed beyond those early 2 seaters to aircraft that could readily carry up to 10 passengers or equivalent cargo. Yet another mode of transportation had emerged, one with very different infrastructure requirements. Isolated communities no longer required hundreds of miles of rail or road development to become connected. All they required were simple level fields of grass as a minimum, or a mile of pavement for the more prosperous. The rate of expansion and development of our country took a giant leap forward.

A Network Evolves

In the 30's and 40' towns and communities scrambled to build airfields to attract any type of air service they could. A town or city with an airport was considered progressive and forward-thinking. For our northern communities an airfield became a necessity. Although aircraft could carry only a fraction of the load a train or truck could, their point-to-point speed was outstanding and their infrastructure requirements were miniscule in comparison.

For the next 60 years airfields or airports were constructed across this land by the federal government, provincial governments, municipal governments, private companies and private citizens. By 1990 there were about 750 airports and airstrips across Canada plus a large number of waterdromes and seaplane bases.

The Network Breaks

In 1994 Transport Canada dealt a severe blow to aviation in this country with the introduction of its infamous National Airports Policy (NAP). The NAP created a National Airports System (NAS) of only 26 airports across Canada which Transport Canada considered important enough to warrant continued support to some degree, although operational support was not part of the plan. Local municipalities were asked to form airport authorities to operate the airports while Transport would collect huge rents. At that time Transport Canada owned and operated 110 non-NAS airports which it dropped on local municipalities through a 10-year divestiture program. The airports were turned over to the local municipalities on the understanding that Transport Canada would provide varying degrees of financial assistance in return for the municipality operating the airport for a minimum of 10 years. After 10 years the municipality would be on its own to do as it chose.

The severe blow to aviation was in fact the signal sent by the federal government with the introduction of the NAP. We heard loud and clear that our government considered only large air carrier supporting airports to be important to our national transportation network. It had no further interest in whether or not the remaining 700+ airports continued to form part of this network.

The government has defended its policy and even tried to assert that they are supporting smaller airports through the Airport Capital Assistance Program, but in reality the annual allocation is a fraction of what is needed to maintain the crumbling infrastructure, let alone enhance it, and the qualification criteria for funding remain narrowly focused on airports with scheduled air service. The vast majority of airports serving such important functions as medevac, charter flights, flight training and supply of goods and services to many remote communities are left with no source of funding to ensure a future.

In July, 1994, after 60 years of heady expansion our Canadian transportation infrastructure began to decline.

The New Reality

Since divestiture, Transport Canada has maintained that airports owned and operated locally should be self-sustaining. Ten years later our local governments are discovering they are spending tax dollars to operate community airports without a clear understanding of the benefits to their communities.

In 2002 the provincial transportation departments collaborated on a study to assess the financial health of small airports in Canada. Twenty-six representative small airports were selected and the study was conducted by Sypher-Mueller International. The report, issued in September 2002, concluded that only four were likely able to meet operating expenses and cover long-term capital costs. Nine were likely able to meet operating expenses but were not likely to be able to cover capital costs. Fully half (13) were determine to be unable to meet both operating expenses and capital costs.

In July, 2004 Transport Canada released the results of its own study on Regional and Small Airports in which 66 small airports were surveyed. This study concluded that 48% of the airports studied were operating at a deficit. It also determined that those airports operating with a surplus were only able to cover 25% of their capital expenditure requirements.

Both studies reached essentially the same conclusions. Half of the community airports in Canada are unable to cover annual operating and maintenance costs, let alone capital costs, without government assistance.

So now we've come full circle. From the days when our national airport network was considered of great value to the citizens of Canada and was happily supported by the federal government, to today, when the federal government has washed its hands of small airports and other levels of government are faced with justifying the value of maintaining a link to the network for their sub-set of citizens.

The Value of Airports

Strange as it may seem this is not an airport operators' problem. The Transport Canada Small Airport Study report stated, "In most cases there is no apparent problem with the airport operation per se, it is simply a lack of users to support the level of facilities and services maintained." In other words there are insufficient users to completely foot the bill on their own.

This is over-simplified. Small airports can not be run on a cost-recovery basis any more than roads can. Unfortunately Transport Canada has perpetrated the notion that if an airport cannot break even on its own there must not be a need for it. This notion has distorted the perception and thinking of local governments which are responsible for these airports. The fact is that airports add value far beyond that which can be measured by the income statement.

Airports bring commerce to a community through visitors and tourism, courier service, flight training and charters. They facilitate social services like medevac, emergency response to natural disasters, and non-emergency medical flights by volunteer organizations such as Hope Air and Angel Flight. They provide venues for community events like pancake breakfasts, COPA For Kids flights for free, even air shows.

There have been a few airport economic impact studies conducted in the past couple of years. The most comprehensive of these was undertaken by RP Erickson & Associated for Aviation Alberta, Alberta Infrastructure & Transportation, and Alberta Economic Development. This study specifically focused on small airports in Alberta and the final report, released in May 2005, contains some startling results. Here are some highlights from the report.

Twelve representative airports were chosen for the study and these were divided into four tiers based on the amount of aviation activity at each. Extensive on-site surveys of all airport related business and community officials were conducted to gather data for the year 2003.

The Tier I airports are regional air carrier nodes with a large GA and a flight training presence. On average they provided 300 direct full-time job equivalents (FTEs), a labour income of nearly \$15 million, and a total economic impact of over \$45 million. They all operate at a deficit for their annual operating and maintenance costs and the average municipal subsidy is \$77,000 per annum. None have the financial resources to fund their estimated capital requirements for the next 10 years.

Tier II airports may have scheduled air services, have a significant GA presences and may have flight training services. On average each provided 30 direct FTEs, a labour income of nearly \$2 million, and a total economic impact of over \$7 million. All operate at a deficit, with an average municipal subsidy of \$21,000 per annum.

Tier III airports do not have scheduled air services and have a reduced GA presence. However, they still provide economic benefits to the communities they serve. On average each provided 9 direct FTEs, a labour income of nearly \$500,000, and a total annual economic impact of nearly \$2 million. All operate at a deficit and receive average municipal subsidies of \$45,000.

Tier IV airports are grass strips with a limited base of GA and no on-site aviation services. Since these airports have no on-site aviation services or commercial businesses there was no measurable economic activity attached to the airports directly. Their operating and maintenance costs are minimal, often provided by volunteers, and the benefits they provide to the communities are largely social.

Tier I and Tier II airports provide 300 to 500 times as much in total economic benefit to their communities as they cost in subsidies. Even the Tier III airports, without air carrier services, give back up to 40 times the economic benefit to their communities as they cost. These numbers clearly demonstrate an exceptional return on investment to their communities without even considering the social benefits the airports provide. So why then are airport operators across the country increasingly being told to break even or perish by their municipal owners?

Putting It Back Together

The root cause of the current problem is a narrow minded attitude that airports are not public infrastructure. Airports are clearly economic engines for their communities. They are used by the public when needed for medevac, emergency response, disaster recovery, and social events like COPA For Kids flying, air shows, airport days, pancake breakfasts and more. They are used by the traveling public either as paying passengers or as private aviation travelers. Yet few town councils or municipal governments accept the fact that

airports are transportation infrastructure serving their communities as do roads, sidewalks, parking lots, parks, pathways, etc. Municipalities need to recognize the economic and social value of airports, even small grass strips, to the citizens of their communities. They need to budget tax dollars to provide the modest financial support needed to sustain their community airports.

As an aviation community we need to dispel the myth that small airports are only of value to GA pilots and aircraft owners. Governments and communities need to understand that GA pilots and aircraft owners are a tremendous source of volunteers to not only support the airport but provide direct social benefits to the community. GA pilots everywhere need to get involved in educating the municipal authorities responsible for their airports. Use the tools we now have available to convince the municipality their airport is a very valuable community asset to be promoted and supported.

On the COPA web site you will find the following tools: the *COPA Guide to Public Airports*, the [Aviation Alberta Socio-economic Impact Study](#), the [Nelson BC Airport Study](#), the [Calgary International Airport Socio-economic Study](#) and the [Your Community Airport brochure](#) (also available in printed version by contacting the COPA office).

Promoting airports for tourism is very important and often ignored. Make sure your local airport is listed in the “[Places To Fly](#)” section of the COPA web site. You can add it or update it yourself! Then let the municipality know you’re doing it. Send them a link to the page for your airport. Help them realize that promoting the airport will increase traffic and tourism and the overall derived benefits.

COPA will continue to work at the national level to effect a change of attitude in the federal government toward smaller airports. But it will also take an effort at the local level, led by local interests, to keep our local airports and to rebuild our national transportation network. Make sure the people in charge have the facts before that golf course developer comes calling!

Appendix B – A Letter Showing Support for a Community Airport

This is a great letter responding to a municipal government proposal to shut down their airport, from the owner of a GA business on that airport. It can be used as an example of the best things to say in a situation like this.



Brant Aero, Box 274 150 Aviation Ave. Hangar #2 Brantford,
Ontario Canada N3T 5M8

Quality Avionics since 1972

Phone: (519) 753-7022

Fax: (519) 758-0530 E-mail: pat@brantaero.com

Attention: Jim Quinn

Jan. 20, 2006

Re: Hangar #2 and Brantford Airport

Dear Mr. Quinn:

We recently heard some rather disturbing news regarding the fact that the City of Brantford is looking at the impact of shutting down the Brantford Municipal airport. I find this very disconcerting, and certainly unsettling as to the future of Brant Aero and their employees.

We would like to take this opportunity to provide you with some insight as to our thoughts on airports in general, and more specifically, the Brantford airport.

Our company came to Brantford in 1972, and has been here ever since. The airport itself has not changed significantly in that time. The surrounding airports have grown considerably. I believe this is primarily due to the fact that the city is unable, or unwilling to make a substantial investment and commitment in the airport.

Airports form an integral part of the basic infrastructure of the “road” system in Canada. Where would we be without airports? Certainly not nearly as advanced as we are now. This country, as well as most industrialized nations, relies very heavily on the airport structure.

We presently employ 16 people and are in a growing stage. Many live in Brantford with their families. Our customer base is well over 1500. This may seem small in relation to normal statistics, but considering there are only about 25,000 registered aircraft in Canada, it is substantial. A good number of the customers fly into Brantford to have their aircraft serviced. While here they often spend several days in town, helping our local

economy. Many will come and spend the day, going to the casino and eating at local restaurants, including the one located at the airport.

These people are not all recreational flyers. Many are business people, using the airport as a strategic stopping off point for their business travels. Today, more than ever, it is becoming increasingly apparent that private flying is a much more cost-effective tool, as opposed to the airlines with all the security and congestion. We are constantly using the Brantford airport as a marketing tool for not only Canada, but also the United States, to encourage customers to come to our facility.

The City of Brantford's industrial base is growing at a phenomenal rate, and ripe for the Brantford airport to poise itself for increased usage.

But the airport must be looked at, not as a rich man's play ground, but an economic necessity. Just as cars use roads to go from point A to point B, airports are “roads” for aircraft at point A and point B.

Whether it is for a family vacation, a business trip, hauling freight or passengers, it is a basic part of the infrastructure of Canada.

Brant Aero and most of the facilities at the Brantford airport support the United Way Air Show. In the past we have hosted the Gretzky Tennis Classic charity event, as our facility was one of the few large enough to accommodate it. We are regularly supporting the local secondary school co-op programs, and several students have continued their careers in aviation because of this. Some are employed at our facility, and helping to support the local economy. We have trained numerous groups of foreign students for several months at a time, which undoubtedly supported the local economy as well. Just as Brantford Flight Centre trains pilots; we train avionics and maintenance technicians. Brantford, and all of Canada, requires facilities and airports like ours in order to encourage the young people of Canada to pursue aviation careers. Canada must have a way to recruit these young people to continue supplying our military, commercial, and general aviation industries.

We must emphasize that the Brantford airport cannot be expected to support itself without financial assistance any more than any of our nation's highways. I can tell you that in my travels to the United States, I am always amazed at the size, quality, and condition of airports, even though there may only be 10,000 or 15,000 people living in the county. They are, almost without exception using it as a business attraction tool for their county and will spare no expense in meeting that goal. Their airports are roads.

If you have any questions, or would to discuss any of these matters further, please feel free to contact either Bud, or myself.

Sincerely,
Patrick G. Field
Sec. Treas.

THE LINDSAY POST

18 January, 2008

Lindsay airport will help attract and retain medical professionals

I wish to offer a few reflections on the importance of our airport to our local medical professional group.

Our airport is a valuable resource for our medical community for several different reasons. These include professional activities and development, patient care and leisure activity opportunities.

General aviation as a hobby is by no means limited to privileged professionals. Most of my flying colleagues are folks of average means. That being said, quite a large number of doctors, dentists, veterinarians and allied health professionals have pursued aviation as a leisure activity in our community over the years. I have been involved in our hospital program which brings medical students to Lindsay every year, and one highlight of their experience has often been going for an airplane ride to view our beautiful city from the air. More than one prospective doctor has told me they would not consider a community that did not have a municipal airport. Thus, I believe our airport is important for attracting and retaining medical and allied medical personnel.

Being a pilot and having this local resource has allowed me greater access to professional work opportunities in communities such as Sudbury, Ottawa, downtown Toronto and northern Ontario. It has also facilitated my involvement in professional development courses and workshops in Ottawa, Kingston, London, and Sault Ste. Marie. One of our local dentists, who is not a pilot, was able to effectively function as President of the provincial Dental Association by accessing booked charter flights out of Lindsay for travel around our province with minimal disruption to his local professional practice.

I understand a representative from Ross Memorial will be speaking to you tonight, but I would like to also comment on the importance of the air ambulance service to our medical staff and the patients they serve. Helicopter transfers of ill patients are important but limited in terms of distances and weather capabilities.

In this era of limited critical care bed resources, often the closest appropriate hospital for an ill patient is Ottawa, Kingston, or Buffalo. It is very important for patient care and physician professional satisfaction to have the option of fixed-wing aircraft transportation when helicopter transfer is either impossible due to weather or impractical due to distance.

The existence of a well-maintained, active municipal airport in our community will help to attract and retain medical professionals and sends a clear message that our City of Kawartha Lakes is vibrant, progressive and growing. Closure of this resource, in my humble opinion, sends out the opposite message, with negative effect.

Respectfully submitted,

Alan Konyer, MD
Article ID# 862452

THE LINDSAY POST

18 January, 2008

Giant Tiger supports Lindsay airport

Regarding the public meeting with respect to the future of the Lindsay Airport, I have flown into the Lindsay Airport many times over the past fifteen years. The main purpose of our flights has been to assess the market for a potential Giant Tiger store. We have also looked to the communities around Lindsay for future store locations.

There have been other reasons for our visits which led us to Buckhorn, Bobcaygeon, Fenelon Falls and Port Perry to name a few places we have visited by car and by boat. Lindsay is a central point for tourism and business and the entire area continues to grow in importance.

From our point of view, the convenience of flying into Lindsay is a major benefit as it is so efficient. We recently bought our plane instead of leasing it because of the future economic benefits.

We also use our plane frequently in the United States and have noted how many more communities in the U.S.A. have airports as compared to Canada. I believe progressive towns like Lindsay should be proud to have such an attractive, efficient airport.

If the Lindsay Airport closes, it may take a number of years to replace it.

Gordon Reid

Chairman & C.E.O.

Giant Tiger Stores Limited

Article ID# 862449

Appendix C – The Results of Successful Airport Support

Brantford City Councillors Hear Loud and Clear - Keep Your Airport!

By Ross Poulsen

A packed Town Hall meeting was held on May 24 at the Brantford Civic Centre to discuss the future of the airport.

About 400 attended the public forum where local citizens and businesses made presentations to show City Council the real need to keep the Brantford Airport as an essential service to the city.

Leading up to the meeting, a local newspaper conducted a telephone poll to the question "Does Brantford need an airport?" The tally was about 2,300 calls with 99 per cent in favour. An internet poll to the same question resulted in 82 per cent saying yes. The packed auditorium certainly illustrated the concern and strong support for the airport. Kevin Psutka, president/CEO of COPA, said he has seen this same debate in many communities across Canada. However, when properly-conducted economic impact studies are done, as was recently the case in Oshawa, the value of the airport to the community always stands out.

“Airports really are an essential service to any community and definitely should be supported and developed,” he said.

Several presenters commented on the fact the city has commissioned several airport studies over the past 25 years and they all led to the same conclusion. The airport is an essential service and needs to be supported.

So they questioned why the city would now consider closing the airport in light of this consistent advice.

They also questioned the city’s categorization of the airport on its priority list. Category 5 is, “Like to do if possible.” Presenters pointed out that if any other part of the transportation infrastructure were in this category, it would be like saying, bridge repairs will only be done if they can get to it sometime.

Provincial Schools Transportation Co-ordinator John Grochot for the Ottawa - Carlton District School Board co-ordinates travel every week for blind children from all over the province to the W. Ross MacDonald School for the blind in Brantford.

On Friday and Sunday nights, they utilize three Jetstreams and a King Air 200 to move not just the blind children to Brantford but others who are deaf or who have learning disabilities to other centres.

Travel by air to and from the Brantford Airport permits the children to spend more time with their parents on weekends and in many cases is the only practical way they can go home each weekend, said Grochot.

Ted Davies, a commercial and industrial real estate broker from Mississauga said, when corporations are looking to re-locate or build new plants there are many options available, but if the community has an airport it is already one point ahead in the corporate decision versus those communities that do not have an airport.

Gary Surette, chair of the Brantford United Way, said one in five people in Brantford benefit in some way from the many services of the United Way. Every year, 20,000-30,000 attend the Brant United Way Airshow to kick off their yearly campaign. The airport is essential to them and to the overall transportation network.

Pat Field from Brant Aero said his business has been at the airport for 35 years. He said his business alone has a direct and indirect economic impact of more than \$5 million a year in the area. He expressed the difficulty he is now having in being able to attract additional high-quality technical people to relocate due to the “uncertainty” that City Council has created at the airport. Field also submitted to City Council a petition to Save the Brantford Airport with more than 1,600 signatures.

Another case was made by a past president of a multi-billion dollar corporation who expounded on the merits of corporate aircraft as an essential business tool and that businesses gravitate to cities and towns who have airports.

Of the city councillors who attended the meeting, two councillors walked out after the first two presentations.

In conclusion, the meeting highlighted the need for city council to read (and study) the previous airport studies, consider the presenters' comments from the meeting, which were recorded, talk to other communities about how they have developed their airports and listen to people in-the-know about aviation.

Psutka noted this was perhaps the best organized group of presenters he has seen. “I would like to thank everyone who took the time and effort to attend and present their views as well as for the many emails, surveys and petitions that have been submitted or conducted to date. This effort will pay off; to preserve Brantford Airport and general aviation.”

THE LINDSAY POST

15 January, 2008

Local News

'Keep Lindsay airport' public urges

Posted By John Chambers

More than 100 people crammed into the Victoria Room at city hall Monday night for the Lindsay Airport Task Force public meeting. Outside of the standing-room only gathering, more people lined the hall to get within earshot of the much-hyped meeting.

Task force chair and Ward 16 councillor Dave Marsh opened the meeting by acknowledging that there will be further public meetings on the matter, adding the task force has not made any decisions regarding the airport's future.

"It is a contentious issues and it effects all of us," he said, "not just today but in the future."

Kevin Psutka, president of the Canadian Owners and Pilots Association told task force members that as the Greater Toronto Area continues to grow, the City of Kawartha Lakes and the Lindsay-based airport will continue to play an increasingly important role.

"This airport is well positioned to serve the Kawartha Lakes," he said. "For this airport the time is now to invest in the future."

Psutka pointed out the Build Canada fund is just one source the city could tap into to receive up to 50 percent funding for infrastructure upgrades at the facility.

Stephen Wilcox, airport manager, Total Aviation and Airport Solutions for the City of Oshawa stressed that airports need to be viewed as infrastructure - just as roads and bridges are viewed by municipal councils.

"Airports operate as a component of infrastructure," he said. "The airport is not here for the 15 or 20 people that keep their planes here; the airport is here for the 75,000 residents of Kawartha Lakes as a component of infrastructure."

Wilcox pointed out that the task force needs to look at not only the employment created at the airport but the employment created as a result of the airport.

Wilcox agreed the airport could be more efficient and suggested with 160 acres at the Lindsay airport, consideration could be given to selling a portion of the land for either aviation-based development or employment lands.

Gayle Jones, general manager of the Lindsay and District Chamber of Commerce said a recent study showed the Chamber's 610 members believe the airport is vital to the local economy.

The majority of our members see the airport as an important and necessary piece of infrastructure to our business community," she said. "The airport is an essential piece of the City's infrastructure supporting 45 jobs and contributing approximately \$5.5 million per year to the local economy."

Also speaking in support of the airport was local lawyer Dan Cornell, Bruno Luzak and local vet Kerstin Kelly.

During the two-hour meeting one local woman spoke out against the airport continuing in its current shape.

The task force plans to have a second public meeting in April before making recommendations to city council early this summer.

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