

Airport Business Plan Review of Recommendations

December 1, 2020

#	Recommendations	Recommended Actions	Staff Comment
1	Car Rental	Contact Rent a Wreck	Staff have aggressively pursued potential car rental companies, including Rent-a-Wreck. In February 2019 we were successful in attracting a Williams Lake car rental business to set up a satellite operation at the Quesnel Regional Airport. From our perspective, the arrangement was very successful however when the company sold later that year they suspended operations in Quesnel. Before arrangements with the new owners could be made for a possible resumption of services, the COVID pandemic impacted commercial flights into the airport. It is unlikely that rental car service at the airport will return unless commercial air traffic resumes or there is a significant increase in passenger charter services.
		Survey Passengers on CMA	
		Survey Hotel Guests	
		Prepare a Proposal	
2	Airport Zoning	Prepare Master Plan for Airport	The Development Services Department completed a review of Land Use Policy for the City and a revised Official Community Plan was approved by Council in 2019. The City determined at this time that no significant changes were required to zoning at the airport and that the current M-3 Zoning incorporated the desired uses at the airport permitting aviation related and light industrial uses at the airport.
		Prepare Development Permit Area/ OCP Amendments	
		Prepare Land Use District	
3	Fixed Base Operation	Promote Tax Exemption	The City entered into a lease agreement with a local business in 2014 for a portion of land immediately adjacent to the terminal building with the hope that a multi-use hanger would be constructed that would
		Reduce Lease Rate for Five Years	
		Extend Lease to 40 years	
		Allow Operator to take over Cargo	

		Expedite the development and building permit process	serve as an FBO. Unfortunately, the tenant terminated their lease early and did not construct a hanger on the site. Lease agreements are negotiated on an individual basis and may be considered for any length term including those for 40 years. Council indicated a willingness in 2019, contrary to the recommendation in the Business Plan, to sell land to a private developer however this venture also did not come to fruition due to financial issues for the developer. Promoting the tax exemption was done with the private developer who was considering purchasing property. We had planned to move forward with a subdivision of land at the airport to create potential lots for long term lease or sale however this work did not go forward in 2020 due to COVID-19. There is presently no cargo business at the airport for an operator to 'take over'. Reducing lease rates below market value, may contravene the Community Charter.
4	T Hangers and General Aviation Expansion	Identify land for taxiway and T hanger development	In recent years we have had multiple developers express some interest in building T Hangers at the airport however none have been realized. A recent developer has indicated an interest in developing T-Hangers on land they have leased. We have a list of private plane owners who have expressed an interest in leasing T-Hanger space. Taxiway upgrades may not be required to support T-Hanger development however a new lease holder at the airport has expressed interest in expanding taxiways if their business activity expands to include shipping their product by air.
		Promote in aviation magazines and on-line	
		Develop list of interested parties in T hangers	

5	Campbell Crescent Airside Access	Develop Plan and Cost to extend taxiway	At present it is not believed that there is sufficient interest to pursue this. The plan recommends that should there be an interest from businesses on Campbell Crescent, the cost of taxiways and security be borne by the businesses being provided with airside access. At this time it is not considered a priority however should greater interest be expressed, staff could pursue this opportunity.
		Develop amortized cost for access	
		Meet with land owners	
6	Joint Marketing	Develop marketing strategies with support and financing of all stakeholders	A community wide branding exercise to promote attraction and retention has been developed by the City. While this marketing isn't specific to the airport, all efforts to promote the community can benefit the airport. Specific to the airport, the airport has been added to the City's Areas of Opportunity on the City website and the City's economic development staff have developed a land prospectus for the airport and a 'flat sheet' that has been distributed by staff at outside events and conferences (prior to the pandemic). The land prospectus has not yet been updated with the new branding. Staff believe that marketing efforts are best directed at aviation related business and light industry rather than tourism. Tourists to the area are much more likely to drive than they are to fly to Quesnel using commercial airlines. There is a modest tourism market for small plane traffic. Keeping fuel prices competitive has proven to be an attractant for small plane pilots.

7	Rotor Wing Centre of Excellence	Info packages for helicopter operators	The prospectus material developed for the airport requires updating and then it can be sent to helicopter operators in Prince George to encourage them to set up operations at the Quesnel airport.
		Develop strategy to attract seven PG companies to Quesnel	
8	Flight School	Contact existing flight schools to access interest	Flight Schools do not typically generate much income for airports however there are benefits to the community beyond airport revenue that could be realized with the establishment of a flight school. There had been some interest expressed from Chinese flight schools however none of these came to fruition. Staff are currently working with the flight school in Vanderhoof to make arrangements for them to operate a school in Quesnel.

#	Other Strategic Actions	Proposed Actions	Staff Comment
1	Taxi Stand - waive fees	Waive fees	Current taxi operators in Quesnel have advised that even if fees were waived they would not have taxis wait at the airport when flights come in.
2	Food Truck	Encourage private sector to provide food service to passengers	There is no demand for food services even when commercial flights are occurring because passengers arrive shortly before their flight departs and leave promptly once they land.
3	Fly fishing shop	Encourage private sector to provide equipment rentals	Demand may exist for fishing rod rentals however the airport is likely not the ideal venue for this operation. The visitor centre offers a program where tourists can borrow fishing equipment.

4	Mountain bike rental	Encourage private sector to provide equipment rentals	Demand may exist for mountain bike rentals in Quesnel however the airport is likely not the ideal venue for this operation. The City has submitted a grant application for development of the bike park at the Arts and Recreation Centre that includes establishing a bike rental operation out of the facility there.
5	Group tours	Encourage travel industry to develop tours	While this may be a worthwhile venture as a broader community tourism marketing strategy it is believed that the vast majority of tourists to the area travel by car/RV and these efforts likely won't have a significant impact on air traffic.
6	Bus Service	Extend transit service to airport	The cost to extend transit up to the airport would likely be cost prohibitive. Flight schedules, when they resume, frequently change with relatively short notice while changes to the bus schedules can be time consuming making it challenging to ensure that bus schedules align with flight schedules. Ride sharing solutions may be possible in the future to provide relatively inexpensive transportation options to the airport.
7	Fly Quesnel	Continue to support policy for staff and elected officials on city business	No action required. Current policy encourages use of the Quesnel Regional Airport where possible and practical when travelling on city business.
8	Advisory Committee	Create an Airport Advisory Committee	A committee was established in 2019.

9	Airport Improvement Fee	Consider implementation	There is a potential if and when commercial flights resume to generate capital reserves with an airport improvement fee. The fee would not generate any revenue to offset operating costs but could be used to fund capital costs that are not eligible for ACAAP funding. Council considered this option in 2017 and decided instead to focus on establishing an agreement with the regional district to provide annual funding for airport operations. This effort was successful with the new CRD service established in 2018 which has generated more revenue than would have been realized with an Airport Improvement Fee. There is concern that additional fees like an AIF will increase fare prices undermining efforts to attract and retain a commercial air carrier.
10	Cargo	Purchase equipment for loading and unloading cargo	Presently there is no demand for this equipment. If there is demand the equipment can be obtained.
11	Agricultural Distribution Centre	Become an agriculture distribution centre	The objective of this goal will largely be achieved with the development of the Food Hub in a more central and better suited location in Quesnel.
12	Friends of Airport	Establish a committee for beautification projects and fundraising	It isn't clear that there is a group of volunteers interested in raising money for beautification efforts or other projects at the airport, but if there were it would be beneficial.

13	Extended Parking	Establish long term parking	We currently have sufficient free parking at the airport, with no limit on how long people can park. Even if commercial flights resume, unless parking demand increases significantly or Council is interested in implementing paid parking, there is no need to establish long term parking. The cost to implement paid parking can be a significant source of revenue for airports with commercial air traffic once the capital costs have been recovered.
14	Access Road Commercial Development	Encourage development of commercial on access road	Presently there is no known demand for commercial development in this area however the updated prospectus can reference this business opportunity.
15	Restaurant	Construct a kitchen/restaurant in terminal building	Presently there is no demand for this. This strategy should only be considered if commercial flight traffic increases substantially.
16	Departure Lounge	Expand departure lounge and washrooms in terminal building	Presently there is no demand for this. This strategy should only be considered if commercial flight traffic increases substantially.
17	Campbell Crescent	Expand second portion of Campbell Crescent	This is a worthwhile long term goal, should demand exist.
18	Runway extension	Extend runway to the south, including land acquisition	It is highly unlikely that there will ever be demand for an extension of the runway. At present, a 737 can land at the Quesnel airport carrying six times as many passengers as the current CMA flights as well as a Hercules cargo plane, which is presently being considered for distribution of products that will be produced by a tenant at the airport.

19	Airline Carrier	Attract a second airline carrier to Quesnel	A second carrier would provide more competitive pricing for passengers and more schedule options however there is a risk that if there isn't sufficient business to sustain two carriers, one or both may fail. A second carrier providing flights to locations other than Vancouver would be ideal. One firm did make inquiries about potential direct flights to Calgary however, to date, the firm has not pursued this beyond the initial inquiry. Communication with Pacific Coastal Airlines has indicated that they are not interested in providing service to Quesnel at this time.
20	Direct Flights	Encourage direct flights to Calgary	Some interest was expressed by one carrier to establish flights between Quesnel and Calgary, however this did not come to fruition. The consultants suggest in their Plan that the local government could agree to 'backstop' new flight routes however this presents significant financial risk to the local government. Given the current downturn in the oil and gas sector in NE BC and Alberta, this may be a strategy to revisit at another time.

22	Agriculture Leases	Convert NW land for agriculture leases/greenhouses and processing	This may be a longer term goal for economic development but in the short term is not practical. Consideration will be needed to ensure that any agricultural uses of the airport property does not attract birds and wildlife which can be a hazard to aircraft.
23	Service more airside land	Service land to the NE	Significant cost with no demand at present. This may be regarded as a long term goal.
24	Residential Lots	Sell or develop land in the west for residential development	Fly-in Communities have generally not been successful in Canada. It is not likely there will be demand for this but it could remain a long term goal should there be demand for it in the future.
25	Non precision instrument approach	Upgrade non-precision instrument approach landing systems	A WAAS approach system was implemented at the airport with a grant from BCAAP. The new approaches required a number of upgrades and increased standards for obstacle limitations at the airport but It has the potential to reduce the number of cancelled flights due to low cloud if CMA upgrades their aircraft to WAAS capable GPS units. An ILS is cost prohibitive and impractical.
26	Expand FBO	Expand Fixed Base Operations once established	This is a reasonable long term goal should demand exist after an FBO is established.