



Quesnel Airport Business Plan

FINAL

June 22, 2015



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EXECUTIVE SUMMARY

The Quesnel Community and Economic Development Corporation engaged Dillon Consulting Limited (Dillon) to prepare a revised Business Plan for the Quesnel Airport, during the first quarter of 2015. Working with Airport, City of Quesnel, and Economic Development Corporation staff, Dillon convened a “planning team” to research, consult and prepare the Business Plan.

Airports are critical to the social and economic wellbeing of a northern community. Owned and operated by the City of Quesnel, the Airport faces challenges to its growth and survival that are common to many community and regional airports throughout Canada - challenges which make the financial sustainability of the airport very difficult.

Quesnel Airport plays a critical role in the economic activity of the City and North Cariboo Region. The airport has a 5,501 foot paved runway supporting scheduled air service from Vancouver. Medivac and air ambulance service, as well as corporate flights for forestry, oil and gas, and mining industries also utilize the airport. A successful airshow, Skyfest, drew a large crowd in 2013 and an even bigger event is planned for 2015. Quesnel’s tourism industry is served in part by scheduled and charter carriers and the availability of aviation fuel. The Ministry of Forests maintains a Forest Fire Operations centre at the Airport as well.

The Regional economy is also challenged by a decline in the forestry industry, which may see mill closures in the near future. The City and Region have developed strategies to support growth in other industries in the region. The airport plays an important and active role in this “re-purposing” of the area.

The Region has a skilled labour pool, beautiful scenery, agricultural lands, tourism opportunities and opportunities in mining.

Through consultation with the City and airport stakeholders, this Business Plan has been developed to provide pragmatic, cost effective, strategic actions that will assist with the success of the airport and may contribute to the overall success of the region. A Land Use Plan has been prepared, which will lead into the development of an overall Master Plan for the airport, that identifies uses and areas for development on airport lands and immediately adjacent to the airport. While revenue is critical for an airport, some of the actions see a reduction in short-term revenue for long-term gain in business.

This Business Plan is intended to reflect the many advantages that the City of Quesnel has over other communities, including its identified outstanding opportunities for growth, development and prosperity. The Quesnel Airport is well situated to be at the centre of this success.

1 INTRODUCTION

In December 2014, the Quesnel Community and Economic Development Corporation issued a Request for Proposals to hire a consultant to prepare an Airport Business Plan for the Quesnel Airport. Dillon Consulting Limited (Dillon) was awarded the contract and began work in February 2015.

The scope of work required the consultant to:

- Review existing plans for the airport and the adjacent Campbell Crescent industrial park, working closely with the City;
- Assess how the changes in the forestry industry and regional economy will affect the airport;
- Provide recommendations to make the airport financially sustainable;
- Define the Quesnel Airport's competitive advantage; and
- Demonstrate how the airport can be a catalyst for the diversification of Quesnel's economy.

1.1 Current Situation

The Quesnel Airport is comprised of 264 ha of land owned by the City. The operation of the Airport falls under the City of Quesnel Development Services/Building Department.

Forestry harvesting leases are running out, mills are expected to curtail production or close, and some of the skilled labour residents in the area will be unemployed.

The City of Quesnel's Corporate 2014 Strategic Goals include:

- Sustainability in all Planning and Operations;
- Infrastructure Reinvestment;
- Community Health and Safety;
- Environmental Stewardship;
- Financial Stability of the Corporation;
- Governance; and
- Economic Stability and Diversification.



1.2 Past Business Plan

In 2006, when the economy was growing, the City adopted the Quesnel Airport Business Plan. The annual forestry cut was increased to deal with the Pine Beetle kill areas and the global economy was strong. The Business Plan provided direction on opportunities for the airport based on the regional economy of the day. The economic decline of 2008, the decision of Air Canada to stop service to Quesnel, the depletion of the forestry

harvesting leases, and the recent decline in the price of oil have created additional challenges for the airport and the City. As a consequence, some of the identified opportunities of the Business Plan were not achieved, and other established business and aviation activity at the airport declined.

At the time the 2006 Business Plan was prepared, business development was a secondary priority for the airport. The development of the 2007 Quesnel Regional Airport Land Use Plan provided direction but was used primarily as an internal document and was not used as a business development tool. In 2014, the City identified the need for the Airport to provide a balanced approach for between continued safe operations and an entrepreneurial approach, which may foster business growth and new business development at the airport.

The strategic action plan recommendations from the 2006 Business Plan are illustrated in **Figure 1**. Some of the recommendations were acted upon while others were not.

Figure 1: Summary of Action from the Strategic Action Plan Recommendations 2006 - 2010

| Category | Action | Completion |
|------------------------|--|---|
| Planning | <ul style="list-style-type: none"> Complete the land use plan | <ul style="list-style-type: none"> The 2007 Land Use Plan was completed. No long range land use plan or Master Plan was completed |
| Operations | <ul style="list-style-type: none"> Explore personnel shared costs with other departments | <ul style="list-style-type: none"> Staff have participated in cross training |
| Business and Marketing | <ul style="list-style-type: none"> Develop “Fly Quesnel” program with input from City, CRD and airline Explore greater aero-tourism opportunities Continue Airport Day event and work with the flying club to increase community interest in aviation Explore public-private partnerships | <ul style="list-style-type: none"> Unofficial program exists Skyfest was initiated in 2010 Replaced by Skyfest Not actively pursued by the City |
| Capital | <ul style="list-style-type: none"> Aviation Fuel System Upgrade Fly in Air Park Shelter Explore enhancements to approach minimas Operations Building Windows and Doors upgrade Runway 31 threshold repair Main Apron expansion (20,000 sq.ft) Pick-up Truck Utility/inspection vehicle | <ul style="list-style-type: none"> Upgrade took place Shelter was constructed GPS approaches on Runway 13 and 31 Completed Completed Expansion took place in 2014 Completed Completed |

1.3 2007 Quesnel Regional Airport Land Use Plan

In February 2007, the City of Quesnel adopted The Quesnel Regional Airport Land Use Plan. The Quesnel Airport Zoning Regulations (1987) made pursuant to the Aeronautics Act, control obstacle height on and around the airport. Legal zoning extending beyond the airport boundaries includes the take-off/approach surfaces, transitional surfaces and the outer surface. While this zoning is applied on the individual titles by caveat, the federal government does not enforce land use. It still remains the responsibility of the City to review and consider land uses on and adjacent to the airport. While this Land Use Plan outlines a 0 to 5 year land use plan, that Plan is outdated and did not look at long-term opportunities or partnerships in the development of land at the airport.

The Land Use Plan does not outline a vision, mission or goals. The report states the Airport Role as:

The Quesnel Regional Airport is a land aerodrome supporting light commercial, medivac, charter, corporate, military (search and rescue) and general aviation fixed wing and rotary wing aircraft. Air terminal and airfield facilities accommodate scheduled airline service to Vancouver. The Airport services the City of Quesnel and surrounding areas.

This Land Use Plan does not provide a policy document to guide future development. **Figure 2** illustrates the legal descriptions and the Airport lands boundaries.

One of the concerns with the Airport Land Use Plan is that it was not translated into municipal zoning bylaw regulations or Official Community Plan policies. While the City is responsible for the land use on the airport, it is appropriate for a municipality to include these policies in their planning documents. The Land Use Plan is not used as a public document; the general public and potential developers are not aware that the Plan exists and the City may be losing opportunities because the Plan is not forward thinking.

Airport land use or master plans generally support two functions: the safe and continued operation of the airport; and marketing the opportunities for development at the airport. **Figure 3** illustrates the Airport take-off/approach, transition and outer surface / obstruction areas.

1.4 2009 Quesnel Regional Airport Commercial Development Plan

In 2009, the Quesnel Regional Airport Commercial Development Plan was prepared. This document established the goal for the airport to:

Make Quesnel Regional Airport a leader in general and small commercial aviation in northern BC.

The strategies for the airport identified in this report were:

1. Build air traffic at the airport and anchor scheduled air service in Quesnel;
2. Make the airport a first class destination for local general aviators and provide superior services to the local flying community;
3. Attract a new Fixed Base Operation (FBO) commercial aviation operation to Quesnel;
4. Attract aircraft educational services to the airport;
5. Offer high quality residential airpark development to attract general aviation; and
6. Market the airport to flying clubs and the general aviation sector for aviation tourism.

Since 2009, air traffic has increased slightly, no significant upgrades have occurred for general aviation, an FBO has not been constructed, a residential airpark was not developed and the marketing for the general aviation has not increased. This demonstrates, not a lack of will, but the difficulty of the tasks given the need for coordination or collaboration between many groups and a lack of funding for airport marketing and development from provincial or federal agencies. In addition, to attract business, there must be demand, or at least a perceived demand, for the businesses. This Business Plan will demonstrate who must be engaged to complete these goals and what steps can be strategically accomplished in the short, medium and long-term.

Figure 2: Quesnel Airport Boundaries and Legal Descriptions



City of Quesnel/Quesnel Regional Airport
Quesnel Airport Business Plan

District Lots Comprising The
Quesnel Regional Airport
Figure 2

- Airport District Lots
- Parcel



Map Drawing Information: City of Quesnel/Quesnel Regional Airport, Dillon Consulting Limited
Map Created By: SGM
Map Checked By: JMK
Map Projection: NAD 83 UTM Zone 18N



PROJECT FILE NO: _____
DATE: 01/18/2018



Location: 01/18/2018 Quesnel Airport Figure 2 - District Lots Comprising the Quesnel Regional Airport

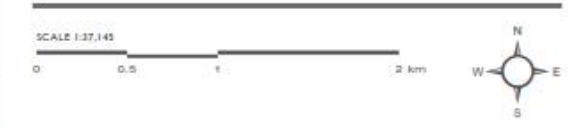
Figure 3: Airport Protection Areas



City of Quesnel
Quesnel Airport Business Plan

Approach and Transitional Designated Areas
Figure 3

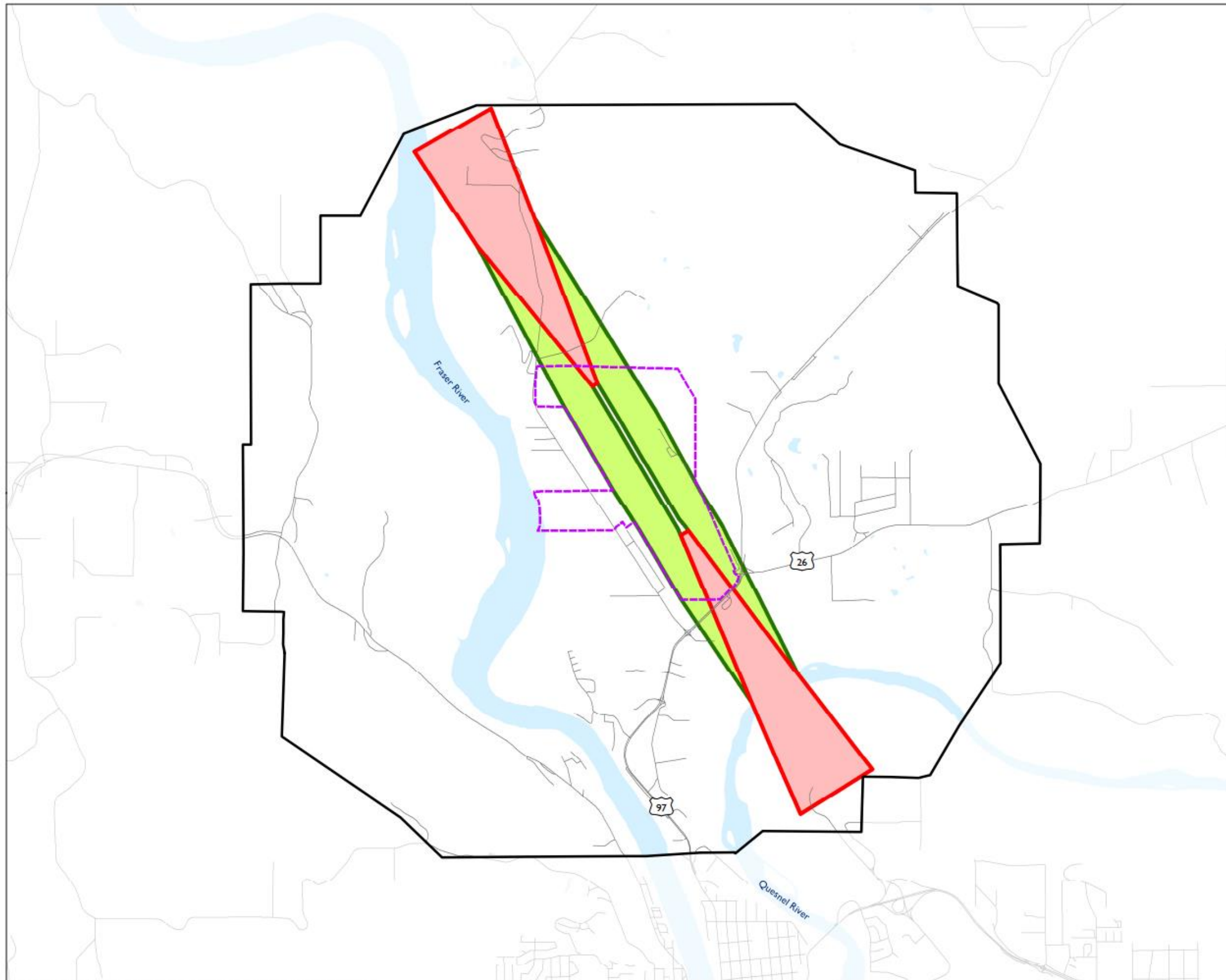
-  Approach
-  Transitional Surface
-  Outer Surface
-  Airport Property



Map Drawing Information:
Map Created By: ECM
Map Checked By:
Map Projection: NAD 1983 UTM Zone 10N



PROJECT: 14-0000
STATUS: DRAFT
DATE: 5/14/2015



File Location: G:\GIS\151625 Quesnel Airport\Figure 3 - Approach and Transitional Designated Areas.mxd

1.5 Vision and Guiding Principles

The vision statement for the City of Quesnel, which the Airport is an integral part through both ownership and policy, is:

The Community of Quesnel is vibrant and resilient.

The Mission Statement for the City of Quesnel is:

Quesnel City Council will proactively and collaboratively manage the City's infrastructure, amenities, programs and services in order to continue to retain and attract residents and investment and continue to prosper in a sustainable manner during this period of economic and social transition.

Official Community Plan (OCP) outlines policies relating to the airport, including:

14.3.5 Air

Council's policies are as follows:

- .1 Provide a safe, secure airport for the travelling public, corporate, medical and private users and employees*
- .2 Work to retain adequate and reliable scheduled passenger and freight air service that meets the needs of the community*
- .3 Work with various partners as required, to maintain and improve facilities, ensuring the long-term viability of the airport for both public and private users*
- .4 Work towards regional participation in the funding of the airports operations*
- .5 Investigate and improve approach and departure capabilities through Global Navigation Satellite System (GNSS) technology*

While these are good policies, the OCP does not provide further guidance for the implementation of those objectives. For that reason, development of a Master Plan and a Business Plan that assigns the activities of the Airport Manager to forward/promote the airport and sell airport tenancies and/or services is recommended. The direction for the airport could be improved by more direct land use policies.

The Guiding Principles in general for airports include the following. Should an Airport Master Plan be prepared, the Guiding Principles will be confirmed:

Safe operation of the airport – Under Transport Canada regulations, an airport must be operated in a safe manner. Any airport operator wants to run a safe airport that is not experiencing incidents or accidents and has the confidence of the travelling public and businesses that use the airport.

Sustainable development – Airports are long-term developments. However, they are also capital intensive operations. Sustainable development will ensure sufficient funding sources, infrastructure that is well managed and maintained and plans for the future are in place.

Community oriented organization – Regional Airports are considered to be significant contributors to the economy and the success of a community. The Quesnel Airport is owned and operated by the City of Quesnel. While the airport strives to reach financial self-reliance, the City contributes services, staff and funding to the airport. The airport is a major transportation link for the residents of the City. Skyfest was introduced and provides an event for the community and economic development. The Flying Club is a supporter of the airport and is made up of residents of the City. Finally, the Fire Fighting Base provides employment and protection for the region.

Business-like operation – Prior to the Federal Government transferring airports to municipalities, airports were considered a significant part of the national transportation network. Transport Canada trained Airport Managers and staff to ensure that the airports were operated in a safe and efficient manner. They were considered a public service and were not expected to pay for themselves. Once transferred to local municipalities, the reality of the costs of airports became all too real. Airports are now expected to earn the revenue to support the airport, not just for the operation, but for the future capital upgrades. The Airport Manager today is not just responsible for the safe operation of the airport, but of the operation of a successful business.

2 Consultation

The Quesnel Airport is owned and operated by the City of Quesnel and is operated as a municipal department. The Dillon Team, assisted by City Staff, conducted two days of consultation (March 30 and 31, 2015) with City staff and elected officials, stakeholders, and airline representatives. The following is a summary of the consultation conducted and the comments provided. The participants in the consultation are provided in **Appendix A**.

2.1 City of Quesnel

The City representatives expressed their support of the airport and support for the development of a Business Plan that will work with the City and Regional Economic development initiatives to ensure long-term success of the airport. The City wants the message to be “the airport is open for business”. Quesnel is in economic transition and the Business Plan should demonstrate what the potential for the airport is. The City has a very large skilled workforce and if the forestry industry is going to decline, new businesses/industries need to open to utilize this skilled labour force. Looking at other airports, there are opportunities for niche development. Suggestions included pilot training and rotor wing service centre. The City representatives expressed that they would like the Business Plan to be pragmatic and focused, and identify the four or five key strategic actions that will help the airport grow, and wants to see what can happen to improve the services to the traveler (car rental, taxi, food service etc.).

The City group provided confirmation of the past SWOT analysis and provided input into the administration and maintenance of the airport.

2.2 Quesnel Flying Club

The Flying Club is collectively concerned about the future of the airport. New pilots are fewer due to cost of learning to fly and they are concerned that the City may in the future determine that the airport is not viable. The Flying Club is also concerned that it is very difficult to develop on the airport. They feel the City and the building regulations are discouraging development at the airport. The feeling is that the airport needs a major tenant, like a KalTire at the Vernon Airport, to provide focus, and act as an anchor to attract other businesses (much like a retail mall needs a major retail tenant



to anchor the mall). Pilot Training would be an excellent business to have here; attract international students, provide housing, food and schooling. In addition, the Flying Club feels that the Campbell Crescent lots should be connected to airside access.

The Flying Club feels that the lease cost is very high and would prefer to own their lots. They believe there is demand for T-hangars and storage (for non-aviation vehicles). They agree that car rental and taxi service should be provided at the airport, but in lieu of that the City bus should service the airport. While freight would be a valuable add-on here, it would likely require a runway extension. The development of a residential airpark was discussed, but it is unclear what the demand may be, and the cost may be prohibitive. The airport needs to attract entrepreneurs. It was also mentioned that the “Beetle money”¹ might be able to fund specific projects at the airport. The Flying Club supported the initiative of the Business Plan and agrees that long range planning and marketing of the airport are positive steps and the timing is good to do this.

2.3 Central Mountain Air



Representatives from Central Mountain Air (CMA) attended the consultation session. They provided some insights into the operation of the airline. As of May 1, 2015, the airline will be running 15 flights per week from Vancouver; 11 of which are direct and four that fly through Williams Lake. It is hoped that this attracts more people to fly directly to Quesnel, increasing the total number of seats flying into Quesnel. They recognize that they will still be impacted by the low fog in Quesnel and may still have to redirect flights to Prince George. The Airline hopes the City might work with them to charter

buses to transfer the passengers to Quesnel. It is recognized that Prince George is the competition, with direct flights to Calgary. It is very difficult to tabulate how many people leaving Quesnel are going to Calgary or Fort McMurray. If CMA had accurate numbers, they would look at servicing other routes. The airline believes that a car rental operation is critical for the success of the airport and that the Quesnel Airport is unique with an attractive terminal building and is close to the City centre.

¹ There are two sources of funding to compensate for the Pine Beetle damage: the Cariboo Chilcotin Beetle Action Coalition and the Northern Development Initiative Trust.

2.4 Airport Stakeholders

A number of airport stakeholders from the community at large were invited to participate in a roundtable review of potential business opportunities at the Airport. These ideas are a result of “brainstorming” and are not all considered viable or practical, but they are the result of several people trying to identify opportunities. A summary of the output follows:

1. Food trucks – this is an opportunity for an entrepreneur to start a food truck business that could service the airport and also events and festivals in the city, cater to campgrounds, etc.
2. General Aviation (GA) businesses (avionics, upholstery, mechanics) – a variety of services that would serve the GA businesses but could also serve other businesses in town (cross over).
3. Agriculture (distribution) – if green houses and market garden agriculture is developed, the airport could provide delivery to markets of fresh products.
4. Car rental – based on the fact that direct flights have started, there might be a local person who wants to partner with a large agency and provide this service.
5. Car-to go – this private service could be provided through the City and/or the airport. All bookings are on-line, paid by credit card and have proven to be very successful in many locations.
6. Tourism – International Market – group tours could be marketed to provide a winter and summer tour and with the mining and forestry tie to China, could generate a lot of interest. The historical connection to Barkerville could be marketed.
7. Aviation tourism (small airstrip tours) – General Aviation services at Quesnel can be promoted to other small airports, highlighting the gazebo, campground and shower (and the Food Truck if it is available).
8. Sell fuel to snowmobilers – another source of revenue, and a service to the locals and tourism (would be a winter season service).
9. Distribution Centre – if there is product being produced in Quesnel or if larger operations open, the airport could be used as a distribution centre which would require the construction of a large airside structure.
10. Partner with College for training – Quesnel could become a centre of excellence if they partnered with a college for a specific skill set.
11. Package tours – fly, bus, sports – need to differentiate the Quesnel area by providing the package tours and the ability for four season activities.
12. Freight – logistics, courier – the airport is not currently able to provide loading and unloading of freight. This is important for any opportunity for freight.



13. Outdoor sports – guides and outfitters will need marketing and there is the potential to work with travel agents or the airline direction to attract people to Quesnel.
14. Work camps – with the growth of the mining, pipeline and fire fighting in the region, there is the opportunity to develop a work camp on the airport.
15. Hotel at airport – while there might not be a market now, if the hotels in the city achieve a year round occupancy of 80 percent or higher, a hotel at the airport might be a reasonable development, particularly if it provided meeting rooms for traveling businesspeople.
16. Potential manufacturing and agricultural value added – if the raw materials are in Quesnel, they could be processed in some form, have added value and be sent out on airplane.
17. Cooperative Advertising – marketing is an expensive endeavor. Joint or cooperative advertising and marketing between the City, tour operators, the airline and other businesses would stretch the advertising dollar.
18. Aircraft Mechanics – This could cater to rotor wing and small aircraft as a stop on the route to Alaska and as an alternative to Prince George and the higher rents.
19. Taxi arrangement at airport – by possibly eliminating the wait fees, the airline could possibly work with the taxi company to provide notice of when the planes will land and possibly for people pre-ordering taxis.
20. Fly fishing store – to promote ecotours, it is important to have a store where the equipment can be purchased, rented or serviced. The existing fly fishing store is encouraged to rent equipment.
21. Mountain bike rental – as with the fishing store, the area is excellent mountain biking territory and the local bike store may consider renting mountain bikes.
22. Industrial expertise from mill workers –there is a significant amount of skilled labour in Quesnel that might require some retraining that should be supported by the City and the Provincial and Federal Governments.
23. Region Paintball – the paintball operation has expanded. It could participate in the joint marketing and see higher usage.
24. Second floor or expansion of terminal building – get the blue prints and confirm it this is a feasible option – and if not, then stop speculation on that form of Airport Terminal Building expansion.
25. The Tax Incentive Bylaw – this needs to be promoted and advertised. It will only be effective if people know about it.



3 Economic Climate

3.1 Quesnel Regional Airport Competitive Advantage

To market the airport it is important to be able to present the competitive advantage to the Region and to businesses thinking of locating in Quesnel. The competitive advantages of the City of Quesnel are:

- Central location – Quesnel is located in north central British Columbia with air, rail and highway access.
- Less expensive land prices – both residential and non-residential lands prices are lower than other larger centres such as Prince George. This can be an attractor for business and residents.
- Skilled Labour Force – The labour force in Quesnel is highly skilled in a variety of industrial trades. This can be an attractor to businesses who are interested in locating in Quesnel knowing that the skills exist and training and importing of labour will not be required.
- Potential Resource Projects – the resource industry is reliant on the commodity prices. When the price of gold is strong, it is very likely that there will be several projects move forward, hiring local people and supporting local businesses.
- The airport has a 5,500 foot runway capable of taking a wide range of aircraft.
- There is significant land at the airport that is available for expansion of industry and aviation uses.

It is important to note that there are some disadvantages to the Quesnel location – the primary disadvantage being the proximity to Prince George. In the 1990s, the Prince George Airport set high goals for growth and expansion. They appear to have met these goals, functioning today as an international airport. This poses competition for the Quesnel Airport due to the fact that the Prince George Airport is only 120 km away. People may choose to fly into Prince George because they can rent a car, have more guarantee of landing even in bad weather due to the Instrument Landing System (ILS), can fly directly to resort destinations and may combine flying with a shopping trip to the larger stores and retailers.

3.2 Area Economic Development Strategies

There are four prime directions for future economic strategies:

- **Agriculture** – there is good agricultural land in the area; there is good sunshine and the ability to construct and operate greenhouses; there is excess waste heat from the industrial uses; and there is sufficient water in the area. In addition, climate change predictions indicate that the climate shift will improve the growing season in the long-term future. Fresh product is more expensive in the north and is often not as fresh as other markets. Growing of garden vegetables and delivering them to the northern communities will do much to improve the health and well-being of the region.

- **Mining** – There are several mines in the Quesnel area that are currently operating; several that have closed and others that have not opened.
 - Barkerville Gold Mine owns Bonanza Ledge (currently open pit, with scoping being done in 2015 to explore underground options),
 - Cow Mountain (currently in exploration), Island Mountain and Mosquito Creek (sites of historic underground mines) are in exploration mode.
 - Gibraltar, owned by Taseko, is a copper-moly open pit mine between Quesnel and Williams Lake. They underwent a major expansion in 2012, but have laid off workers over the past year with lower metal prices. Prior to lay-offs, about 100 Quesnel residents were working at the mine. Taseko also owns the controversial New Prosperity site, west of Williams Lake. If this mine were to be approved and begin production, it would likely have a positive economic impact on Quesnel.
 - Mount Polley Mine, owned by Imperial Metals, is the site of the tailings pond breach that received international news coverage last year, spilling tailings into Quesnel Lake and Hazeltine Creek. The mine is currently on care and maintenance. The mine kept employees working on repair through the winter, but announced lay-offs of 120 workers in May 2015. This likely had minimal impact on direct employment in Quesnel but may have had indirect impact on tourism.
 - West of Quesnel, New Gold owns the Blackwater mine site, which was the largest exploration project in North America in 2012. Plans were to start construction in 2015, and operations in 2017, but with lower gold prices, New Gold has shifted focus to another project in Ontario. They are working through the provincial and federal environmental assessment process in the meantime. They estimate 1,500 employees for construction and 500 during operations. There is a camp on-site, and there are plans for an airstrip. During exploration, there were 70 people from Quesnel working at the mine, with transportation provided by New Gold. The site was purchased from Richfield Ventures which was based in Quesnel.
 - Spanish Mountain is 6 km from Likely. A Preliminary Economic Analysis was completed in 2012. Exploration has been occurring on-site but with gold prices low the project will likely be on hold.
- **Forestry** – while the leases are depleting in the Quesnel area, and the Pine Beetle cut is virtually complete, logging will continue at a reduced level but will ultimately be depleted and there will be job losses throughout the region. However, there is still an opportunity to use the skills of the labour pool in the region or to retrain the labour.
- **Tourism** – using the natural features of the area, the historical component and existing hospitality industry, the Quesnel region could be marketed as a mountain bike, fly fishing, heritage tours destination. In the winter, the cross country skiing and heritage may attract visitors. The potential for group tours is significant and could impact all aspects of the economy in Quesnel.

3.3 Local Business Climate

Many of the initiatives that will see benefits to the airport and the local economy in general must be initiated by the private sector. Local entrepreneurs will be the people that will take the risk to start the new businesses, consider retraining and new careers and invest their money in the future of Quesnel. There are many business opportunities identified in this report. To encourage local investment, there might be an opportunity to utilize the NDI funding to create a program of micro-loans to individuals to start small businesses.

The City does have a Community Foundation which provides grants to charitable organizations in Quesnel. However, municipalities are limited to the amount of financial commitment they can make to privately owned businesses for profit.

There are foundations that provide funding to social enterprises such as the Social Planning Council of Greater Victoria. Another example is the Sunshine Coast Community Foundation (SCCF) which primarily funds community capacity building ideas and environmental projects, for amounts ranging between \$500 and \$5,000.

The potential extension of Campbell Crescent industrial lots is located on the airport. The City could consider the construction of Phase 2 of Campbell Crescent and construct the taxiway to connect the lots to the airport. This project would only be feasible if the lot owners and businesses are committed to the project financially. The cost of this construction would be transferred to the lot owners/leases and an annual access fee would be charged to ensure that the users would be covering the cost of annual maintenance.

3.4 Population Projections

The population of Quesnel has had ups and downs. According to the 2001 Federal Census, the City of Quesnel population was 10,044. In 2006, there was a decrease to 9,320. By 2011, the Federal Census indicated the population was up to 10,007. The municipal census in 2014 was 9,806. For the purpose of this report, we are going to assume that the population will stabilize. We have not provided civic population projections. There is the possibility that the population could drop due to mill closures. However, if the economic development of alternative industries occurs, the population could see an increase.

3.5 Airport Revitalization Tax Exemption Program

One of the innovative initiatives that the City of Quesnel has implemented is the Regional Airport Revitalization Tax Exemption Program Bylaw No. 1740 of 2014. The objectives of the Program are:

- Council has determined that increased investment, job creation and economic activity at the airport are vital to the success of the local economy. The objectives of this bylaw are:
 - To create an economic stimulus to encourage capital investment at the Quesnel Regional Airport; and

- To create additional permanent employment opportunities in the community.
- This bylaw will achieve the objects of the Revitalization Tax Exemption Program by providing relief from general municipal property taxes to owners of eligible projects constructed on parcels within the Tax Revitalization Area.
- Year 1 – 100% of the increased assessed value down to Year 5 and 20% of the increased assessed value.

It should be noted that other regional airports have employed this approach with mixed results. Recently, the Abbotsford Airport announced their intention to abandon their version of the Tax Exemption Program, as it – in their evaluation – had failed to attract new tenants to the airport. For that reason the Quesnel Airport should ensure that the Tax Exemption Program be actively promoted and advertised as one of a “suite” of reasons for companies to locate or relocate to the airport.

3.6 Airport Contribution to the Local and Regional Economy

Generally, the key contributions that airports typically provide to local/regional economies include:

1. Direct employment – jobs operating and maintaining the airport, as well as employment by businesses located at the airport (agriculture, tourism, hospitality, recreation, manufacturing);
2. Indirect employment – airport based employees and travelers purchase goods and services in the community and region in all sectors of the economy;
3. Airport businesses (aviation and non-aviation) purchase goods and services from suppliers in the region and community;
4. Aviation supports businesses within the community and region – freight, specialized skills, time sensitive delivery to the community/region by air. – the airport is a hub for labour and materials that are employed in resource development – the airport is a hub in security (firefighting, search and rescue, medical emergency movements);
5. Airports form part of the transportation logistics network – growing business in employing airports as intermodal hubs for both passenger and freight – air, rail, highway modes can be integrated at or adjacent to the airport;
6. Airports provide land banks for both aviation and non-aviation employment districts, providing direct revenue opportunities through lease and/or sale of property; and
7. As potential employment districts, airports can provide significant contributions to the local and regional “non-residential” tax base.

The Quesnel Airport has historically contributed to the local/regional economy as an aviation transportation hub, connecting Quesnel to Vancouver for both business and personal travelers. It is well established for those purposes. Capitalizing on the potential for the other contributions to the local and regional economy will

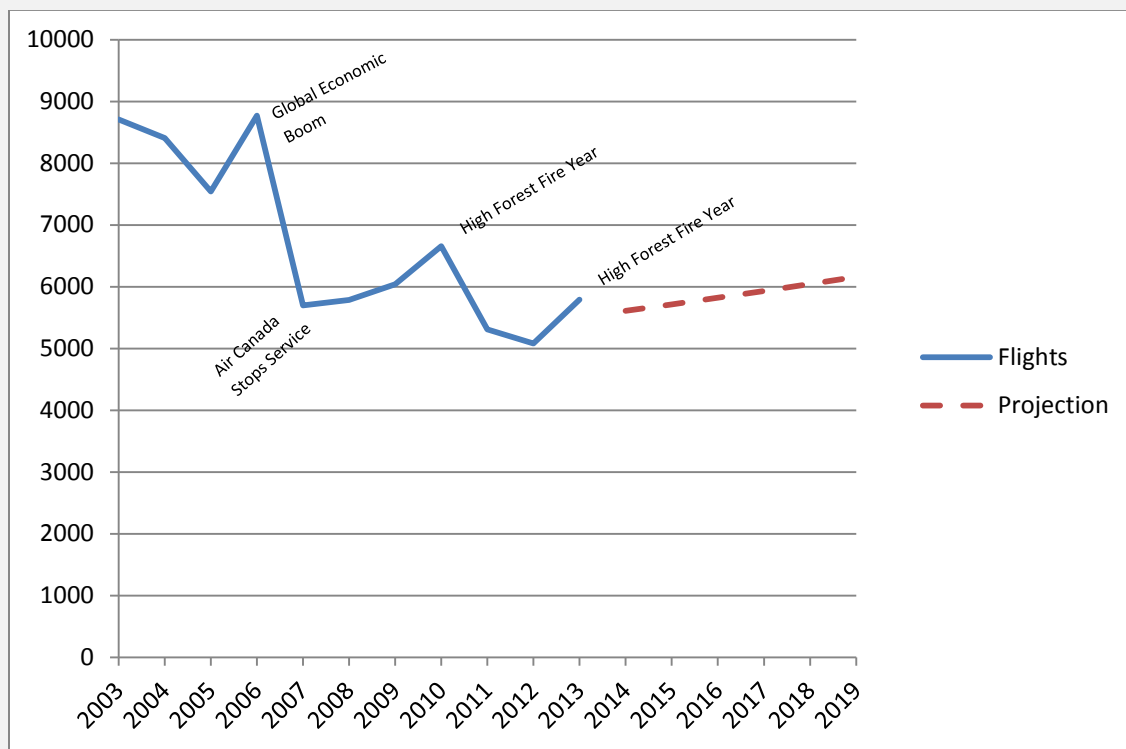
generally require some modest investment of time, resources and capital to first attract and then develop other users of the airport.

4 Aviation Trends

4.1 Flight and Passenger Trends

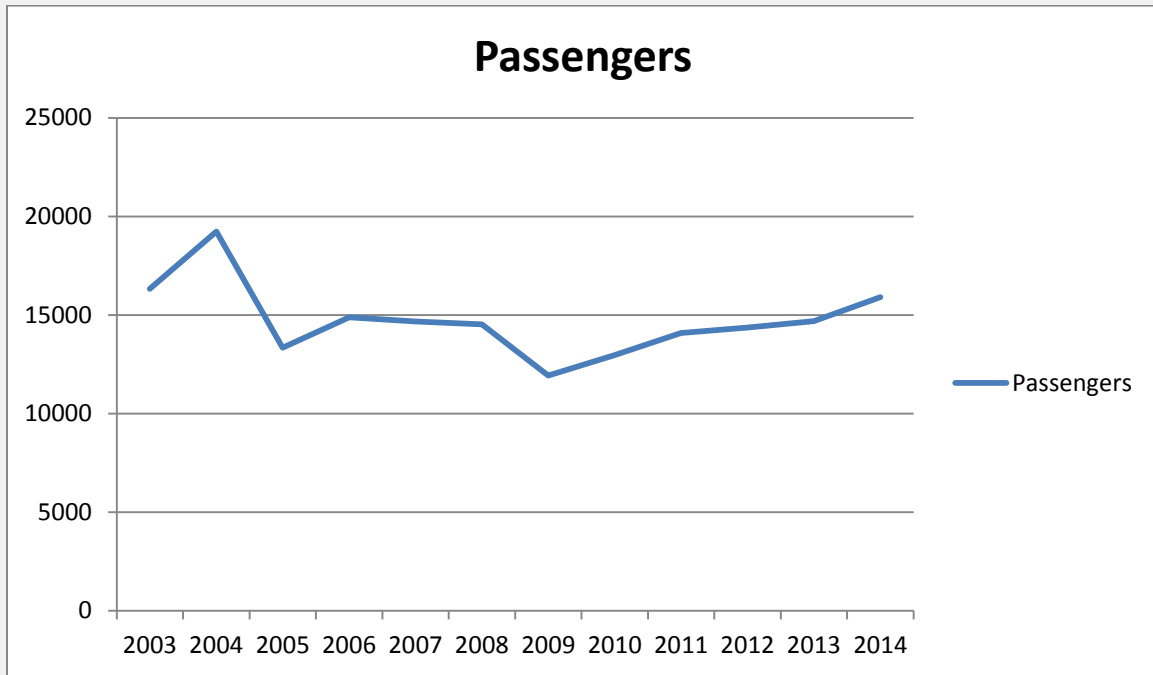
The flight volumes at the Quesnel Airport have fluctuated in a manner related to the global economy and other activities in the region, including high forest fire years. However, passenger levels have remained relatively steady. The 2014 flights were 5,608 which was 64% of the 2006 (8,769 flights) levels (see **Figure 4**). Anecdotal records demonstrate that historically Boeing 737's served Quesnel, representing why the passenger volumes were higher. Transport Canada's General Aviation Traffic Forecast 2005 to 2019 estimates a 1.9% volume increase over this time period. Using this growth rate for Quesnel, the 2019 flight volume is estimated at 6,158. While this does not reach the 2006 peak, it is an increase. This estimate could be substantiated by the change in the number of direct flights to Quesnel from Vancouver.

Figure 4: Historical Flight Summary at Quesnel Airport



Based on the direct flights, we would assume that we would see an increase in passenger traffic. At Quesnel, the passenger volumes peaked in 2004 a 19,240. In 2014, the passenger volumes were 15,907 (**Figure 5**).

Figure 5: Historical Passenger Volumes for Quesnel Airport

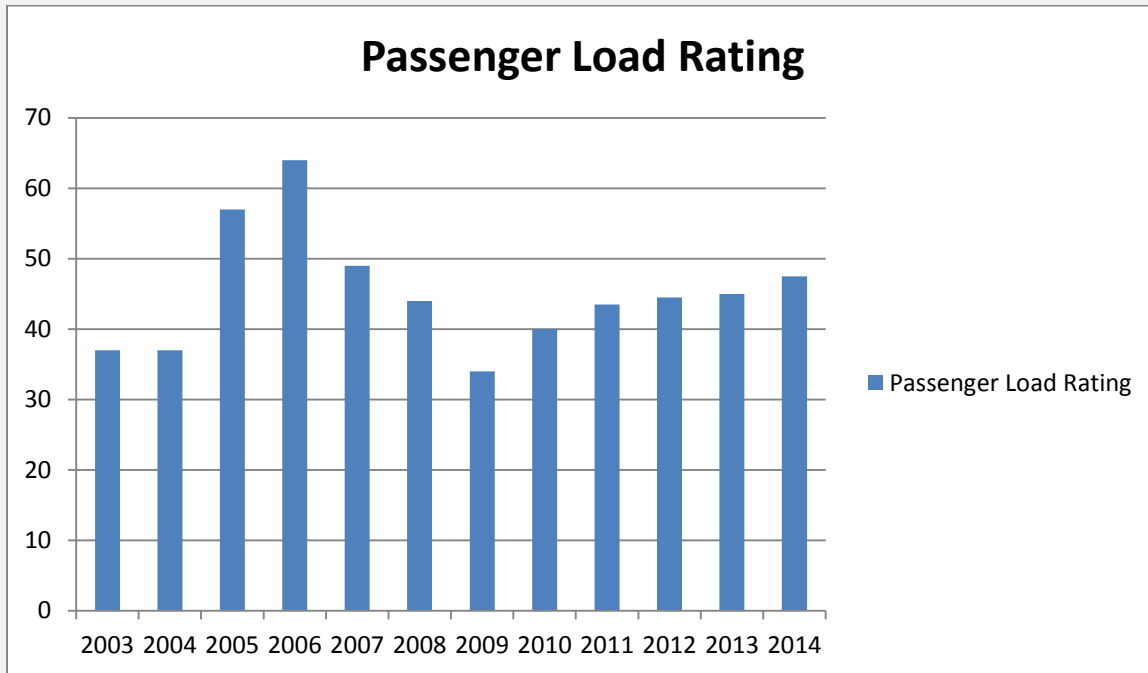


4.2 Airlines

Currently only Central Mountain Air serves the City of Quesnel. They have recently modified their service to reduce the number of indirect flights to Quesnel and increased the number of direct flights to and from Vancouver. As of May 1, 2015, there will be 12 direct flights from Vancouver per week and three flights that connect with Williams Lake. It is hoped that the direct flights will encourage more travel from the Quesnel Airport and will encourage other businesses such as car rental to locate at the Quesnel Airport.

The historical passenger volumes are illustrated on **Figure 6**. If the passenger growth matches the flight growth of 1.9%, the passenger volumes could be estimated at 17,473 in 2019. This would represent a steady growth since 2009.

Figure 6: Historical Passenger Load Rating for Central Mountain Air



4.3 General Aviation

General Aviation at the airport currently includes private (recreational) airplane owners and operators, as well as business aviation. The Flying Club has been in existence at the airport since 1954 as a non-profit organization. They have a clubhouse and provide services for itinerant and private pilots.

Currently there is a mobile aeronautical mechanical engineer (AME) that services private aircraft at the airport. There is a campground with a gazebo and shower available to aviation campers.

At this time there are no flight training operations or activities at the airport. There is no Fixed Base Operator (FBO), although a proposed multi-purpose hangar (proposed within the 2006 plan) is still active in the proposal stage, and could provide FBO services. While there are some small private hangars, there are no General Aviation hangars, other than two corporate aircraft hangars. The Flying Club has identified the need and demand for T-hangars. Currently, the land at the airport is not sold, it is rented and the term of the lease is being extended to encourage investment. It is hoped, coupled with the Tax Exemption Bylaw, that the current users of the airport will show their confidence in the City and the airport and invest in development at the airport.

There is considerable vacant serviced land to support development of FBO(s), AME services, corporate or business aviation facilities, and general aviation hangars.



4.4 Commercial and Industrial Aviation

As noted above, aircraft and passenger movements have declined during the past few years, reflecting the economic fluctuation in the region's resource based economy as well as passenger's preference to drive to either Williams Lake or Prince George International Airport for more convenient air carrier schedules and, in the case of Prince George, shopping opportunities. The latter factor reflects both the overlapping catchment areas of the three communities, all supplied with regional airports, as well as the size, weather and navigational aid advantage that the Prince George airport has within the region.

Industrial aviation at the airport is not well established at this time. One helicopter operation (Highland) has a base in the Quesnel region, but this is located off the airport, west of the city. The Ministry of Forest maintains a base at the Quesnel Airport for fire suppression. The Ministry is anticipating that climate change may see drier summers and, as such, more demand for the Forestry services. The Ministry of Forestry is considering enlarging their facilities including more overnight accommodation. This will provide an economic benefit to the community.

There are no charter operators, either fixed wing or rotor wing, currently based at the airport.

5 Strategic Plan

5.1 SWOT Analysis

Over the course of a two day visit to Quesnel, a list of strengths, weaknesses, opportunities and threats identified by all participants was documented.

Figure 7: SWOT Analysis

Strengths

- Forestry Base
- Security (Forestry can park helicopters without concern of theft or vandalism)
- Ease of access – on the highway
- A lot of land for development
- Positive relationship with Central Mountain Air
- Length and width of runway allows variety of aircraft
- Ownership by City (subsidizes and supports)
- Centrally located in northern BC
- Recent infrastructure upgrades (Apron)
- Halfway point to Alaska
- Good venue for aerobatic training
- The Airshow
- Revenue from haying excess land
- Free parking
- Central Mountain Air has good times for flights
- Close to town
- Head office locations
- Tax Revitalization Program
- Access to jet fuel
- Operations for just-in-time delivery
- Convenient security
- Access for BC Ambulance
- Unique and attractive Terminal Building
- Active Flying club (gazebo, showers, building)
- Open air space
- Regional Users (Wells)
- Existing long term plans and commitment

Weakness

- No equipment to off load freight
- Unsure on the ability for the terminal building to expand
- Need to expand water, sewer and taxiway for new airport development
- Subsidized by the City
- Length of leases (recent has been 20 years)
- Location – fog due to proximity of mills
- No car rental
- No food or beverage
- No looping taxiway (if a larger plane is fuelling, it cuts off access)
- Lack of Fixed Base Operator
- No mechanic shop
- Lost opportunity of people booking from Prince George because possible fog
- No Instrument Landing System
- Local thinking, not global
- Burden of bussing if flights are missed (from Prince George or Williams Lake)
- Lack of an over-nighting hangar
- No public transit to airport
- No direct Taxi phone or taxi stand with cab waiting
- Limited “over-sized luggage” ability
- Runway restriction for freight
- Unclear process for development/building permits
- Underfunded (for snow removal)
- Tenants want to buy land –ownership is best for entrepreneurialism
- Declining tax base
- CRD does not contribute to the airport
- Lack of marketing and promotion
- No facilities

Opportunities

- Flight Training
- Opening up of the North
- Power and water to the gazebo
- Beetle kill money
- Fire Camp (develop an area for temporary workers to live)
- Tourism – Four Seasons
- Multi-purpose hangar
- Residential Airpark lots
- Airside access to Campbell Crescent
- Options for purchase, lease and strata
- Cargo and freight
- Expansion of Campbell Crescent
- Food trucks
- Charters – particularly for people who work in other locations
- Prince George high prices (will drive businesses out)
- Other destinations for Central Mountain Air
- Second airline
- Airport Advisory Council
- Promote the international locations and packages
- Expansion of corporate and business flights
- Affordability / live-work lifestyle
- T-hangars
- Overnight accommodation for aircraft
- Climate change (improve weather for outdoor sports and agriculture)

Threats

- Instability of the Forestry Industry
- Prince George freight
- Climate change (more snow and fog)
- Prince George passenger attractions and shopping
- Transport Canada regulations
- Nav Canada
- ACAP funding
- Centralization of services
- Worldwide political instability
- Security threats
- Evolution of First Nations governance
- Need to battle negative perceptions
- Aging GA



5.2 Zoning Bylaw

Land use on airports, under the Transport Canada regulations, is controlled by the owner and/or operator of the airport. In the case of the Quesnel Airport, this is the City of Quesnel. The City of Quesnel Zoning Bylaw regulates the land uses at the airport as Agricultural and Light Industrial M-1 Zone. This allows, as principle uses, light industrial and warehouse uses.

LIGHT INDUSTRIAL USE means an industrial use that is entirely enclosed within a building or structure and/or screened from public view using a solid screen and specifically excludes: junk yards, wrecking yards, bulk loading and storage facilities, heavy equipment storage and repair, sawmills, pulp mills, log storage, abattoirs, stock yards, and asphalt, cement or concrete plants.

WAREHOUSING USE means use of a building or part thereof, primarily for the housing, storage, adapting for sale, package or wholesale distribution of goods, wares, merchandise, food stuff substances, articles and the like but does not include a fuel storage tank.

However, the zoning does not address Aviation uses and does not differentiate between Airside, Groundside and Operational uses. Nor is there an airport overlay that ensures that inappropriate uses are not located in close proximity to the Airport. Transport Canada defines in appropriate uses as those that:

- Cause dust, smoke or steam that could impact visibility;
- Any use that unduly attracts birds (water, landfill sites);
- Any structure that is of a height that it might penetrate the obstruction zone, the transition zone or the take-off and approach zone; or
- Any use that creates electronic interference.



As noted in Section 1.3 of this Business Plan, the lands under the take-off and approach, transition and outer surface have caveats registered on title to control heights to ensure the safe movement of aircraft. This does not provide clear direction to the land owners or potential developers as to what can actually happen on the lands. It is recommended by Dillon that the City develop an airport zone to be amended into the Zoning Bylaw. This zone could create allowed uses on the airport for aviation related uses (those uses that require direct access to a runway or taxiway), groundside uses (those that may support aviation but do not require direct runway access) and airport operations (those uses that are required for the operation of the airport including runways, taxiways, aprons, lighting, navigational aids, terminal building emergency services and other similar uses). This zoning regulation may allow for uses that currently are not explicitly allowed and may prove to be a marketing tool for development at the airport.

In addition, the approval process, standards and development guidelines should be clearly outlined. It may be appropriate for the airport to be identified as a Development Permit Area in the OCP.

5.3 Ownership of the Airport Lands

The airport lands are owned by the City of Quesnel. Several stakeholders, during the consultation process, have identified the desire to purchase their lots at the airport. They have indicated that the incentive to invest in the land by constructing expensive structures is triggered by the ability to own the land.

It has been the experience at airports that most airports do not sell land. This is particularly true of airside lots. Because it is the owner of the airport land that can determine the use of the land, it is much more prudent for the City to continue to own the land but extend the time of leases to 25 to 40 years with an option to renew.

The Stakeholders indicated that without ownership, it is difficult to finance and at the end of the lease, the “improvements on the land” remain with the airport.

Banks are very supportive of loans or mortgages on long-term leased lands. This is proven at other airports, in towns such as Banff and Jasper, residential developments on Indian Reserves (Redwood Meadows outside of Calgary on the Tsuu T’ina First Nation) and land developers that never sell the land (Remington Developments).

Should the airport and City determine that they do want to sell lots, it is critical that the lots be sold as strata lots to ensure that the airport is able to collect monthly or annual payments for the maintenance and upgrade of the airport and access fees for airside developments that will use the apron, taxiway and runway. This would apply to residential and non-residential developments. The discussion of residential airparks is addressed more in Section 7.4.

5.4 Land Use Plan

This Business Plan has prepared a draft long range land use plan for the airport that illustrates the potential long-term uses at the airport. There are three categories of land uses on airports:

- Airside uses are uses that have direct access to the taxiways, runways and aprons;
- Groundside uses are located on airport property but do not have direct access to the taxiways, runways or aprons; and
- Operations uses are navigational aids, terminal buildings, equipment and fire halls.

Transport Canada’s Land Use in the Vicinity of Airports TP1247 outlines other restrictions for development on airports including the take-off and approach area, transition area and outer surface.

The outer surface shall be established where required for the protection of aircraft conducting a circling procedure or manoeuvring in the vicinity of an aerodrome. The outer surface establishes the height above which it may be necessary to take one or more of the following actions:

- a) Restrict the erection of new structures which would constitute an obstruction; or
- b) Remove or mark obstacles to ensure a satisfactory level of safety and regularity for aircraft manoeuvring visually in the vicinity of the airport before commencing the final approach phase.

Take-off and approach is established for each runway direction intended to be used for the take-off and landing of aircraft.

- a) An inner edge, perpendicular to the runway, begins at the end of the runway strip (normally 60 m from the runway threshold). The length of the inner edge is dependent on the strip width.

- b) Two sides originate at the ends of the inner edge and diverge uniformly at either 10% or 15% from the extended runway centre line.
- c) Final width will be the product of the divergence and length of the area, and will be parallel to the inner edge.

Transitional surface is a complex surface along the sides of the runway strip and part of the approach surface that slopes up to the outer surface. Its purpose is to ensure the safety of aircraft at low altitudes displaced from the runway centre line in the approach or missed approach phase. The slope of a transitional surface measured in the vertical, perpendicular to the runway shall be:

- a) 14.3% for an Instrument runway and non-Instrument runways, Code 3 and 4; and
- b) 20.0% for non-Instrument runways, Code 1 and 2.

The land use plan (**Figure 8**) identifies the proposed Airside and Groundside areas for development.

Figure 8: Land Use Plan



City of Quesnel/Quensel Regional Airport
Quesnel Airport Business Plan

Land Use Plan
Figure 6

Future Land Use Plan

- Future Taxiway
- Future Apron
- Future Road
- Runway Extension
- Groundside Industrial Long Term
- Industrial Lots Medium Term Groundside Industrial
- Future Airside Industrial
- Future Industrial
- Outdoor Recreation
- Parcel



Map Drawing Information: City of Quesnel, Quesnel Regional Airport, Dillon Consulting Limited

Map Created By: ECH
Map Checked By: PM
Map Projection: NAD 1983 UTM Zone 10N



PROJECT: 15-1625
STATUS: DRAFT
DATE: 3/14/2015



6 Current Airport Operations

Currently, the airport has a number of revenue streams including; logging money, building permits, agricultural leases, hangar property leases, Terminal Building concession leases (Central Mountain Air is the only terminal building rental), aircraft landing and parking /storage fees and fuel sales. The Airport does not have an Airport Improvement Fee and does not charge for vehicle parking and has minimal concession leases.

Most airports collect significant revenue from parking, car rental, taxis and concessions. However the most significant single revenue stream for many airports is the Airport Improvement Fee (AIF). Quesnel does not have these revenues. The City has made a strategic decision to not charge AIF or parking fees to keep airfares low and to keep a competitive advantage for the Quesnel airport.

With the lack of revenue from airport improvement fees, parking revenue, concessions in the terminal building, the Quesnel Airport is at a disadvantage.

Figure 9 provides a comparison of the revenues of several airports. It is extremely difficult to find comparisons of smaller airports because an airport owned by a municipality does not prepare an airport annual report and the airport revenues and expenses are generally buried or grouped within the City budget. It is recognized that the comparative airports are larger than Quesnel, but the important numbers are the percentages of the revenues from certain sources. However, the significance of the percentage of the revenue from certain sources demonstrates that the comparative airports get between 40 and 48% of their income from AIF and between 10 and 15% of their revenue from concessions. These are sources that the Quesnel Airport does not have.

In addition, Terminal fees charged by the comparative airports ranges from 8.8 to 19.8 percent, while it totals 0.12 percent of the Quesnel Revenue. Quesnel depends largely on grants, municipal transfers and fuel sales (at the larger airports the fuel sales are handled by separate companies or the Fixed Base Operator). There was a one –time payment for logging. The Quesnel Airport gets 27% of their revenue from fuel sales where the larger airports do not sell the fuel, it is the tenants that sell the fuel.

For the Quesnel Airport to be more financially successful and less dependent upon general municipal revenue, the airport needs to collect more money is leases, concessions and terminal fees.

Figure 9: Comparison of Airport Expenditures²

| | Quesnel 2014 | | Calgary 2014 | | Ft. McMurray 2013 | | Regina 2014 | | Saskatoon 2013 | |
|--------------------------|-----------------|------|-----------------|------|----------------------|------|----------------|------|-------------------|------|
| | '000's | % | '000's | % | '000's | % | '000's | % | '000's | % |
| Airport Improvement Fees | 0 | | 148172 | 40.5 | 17680 | 48.7 | 11603 | 43.2 | 12546 | 43.8 |
| Terminal Fee | 2.3 | 0.12 | 46460 | 12.7 | 7178 | 19.8 | 2129 | 8.9 | 2472 | 8.8 |
| Concessions | 3.1 | 0.15 | 52213 | 14.2 | 2159 | 5.9 | 2396 | 9.0 | 2457 | 8.8 |
| Car parking | 0 | | 41434 | 11.3 | 3659 | 10.1 | 3932 | 14.6 | 4061 | 14.2 |
| Aircraft Landing Fees | 11.3 | 0.55 | 37122 | 10.2 | 8726 | 24.1 | 4718 | 17.6 | 3348 | 11.7 |
| Land Rental | 9.7 | 0.47 | 15192 | 4.3 | 2273 | 6.3 | 961 | 4.0 | 780 | 2.7 |
| Space Rental | 55.3 | 12.5 | 5150 | 1.5 | 1034 | 2.8 | | | 1093 | 3.8 |
| Other Revenue | 260.8 | 0.1 | 17987 | 4.9 | 727 | 1.5 | 303 | 1.2 | 1140 | 4.0 |
| Grants | 260 | 12.6 | | | | | | | | |
| Property Taxation | 314 | 15.3 | | | | | | | | |
| Fuel | 562.5 | 27.4 | | | | | | | | |
| Aircraft Parking | 13 | 0.6 | | | | | | | | |
| Passenger Fee | 176 | 8.6 | | | | | | | | |
| Airport Logging | 384 | 18.7 | | | | | | | | |
| Total Revenue | 2052 | | 366395 | | 36263 | | 26,933 | | 28,563 | |

Quesnel does not charge an Airport Improvement Fee (AIF), but does charge an \$11.50 passenger fee for every enplaning and deplaning passenger; for 8.6% of the total revenue. An AIF requires the identification of one or more projects to direct the collected fees. The fees are generally included in the ticket price and the Airline collects the fee for the airport. The airport then pays the airline an administration fee for the collection. Quesnel does charge terminal and passenger fees (which combined provide approximately 9% of the total revenue of the airport). There is no standard process for determining if the airport should collect an AIF, Terminal Fees or Passenger Fees. Each airport determines what is appropriate for their airport. The following provide some examples of airports in Northern BC. Williams Lake collects a \$7.25 per passenger fee and does not collect an AIF. Prince Rupert Airport collects a \$14.00 per passenger fee and no AIF. Smithers Airport collects an AIF of \$25 per outbound passenger (assigning the expenditure of the money collected as \$15 going to projects and \$10 going to reserves). Terrace Airport applies a Terminal fee of \$3 per seat, a passenger fee of \$14 per passenger inbound or outbound on aircraft larger than 19 persons and an AIF of \$7 per outgoing passengers. Prince George applies Terminal fees of \$4.43 per inbound domestic passenger and \$5.30 per inbound international passenger and a \$20 AIF on all inbound passengers. There is no magic formula. What an airport charges reflects the revenue they require and the amount of charges that the passengers will accept.

If there is a specific project that the airport requires revenue for in the future, then adding an AIF can be a source of revenue. Central Mountain Air could be approached to collect the AIF for a 15% administration fee. If

² All amounts are in '000's and numbers have been rounded and some categories combined to provide comparatives.

we assume 8,000 inbound passengers (based on 50% of the 2014 number of 15,907 total passengers) and charge \$10.00 AIF with 15% going to CMA for collection and admin - the Airport would earn \$68,000.

7 Opportunity Development

7.1 Air Service

As noted earlier, Central Mountain Air (CMA) is the only airline servicing the Quesnel Airport at this time. They have altered their routes to provide direct routes from Vancouver. CMA provides a variety of flights from Prince George. If there was evidence that people from Quesnel would utilize routes to other locations, CMA would consider adding locations and flights. Currently there is anecdotal information that people in Quesnel are travelling to Calgary and Fort McMurray. If this was quantified, air service might be increased and improved. CMA is also a potential partner with charter tours. Should organized group tours be arranged, CMA could be the airline to provide the connection from Vancouver.



7.2 Airport Businesses

Airports generally have large parcels of land, with limited servicing, with runway access. Certain uses are more suited to airports. For the Quesnel Airport these could include:

1. Helicopter business – both in the charter and service areas. The airport could partner with a helicopter business, and an education facility to establish a centre of excellence for helicopters. The land and leases would be less expensive in Quesnel than in Prince George. With the expansion of mining, the forestry industry to the west of Quesnel, the opportunity for agriculture and greenhouses, Quesnel could provide a hub for helicopter use. Helicopter operations would be important in the regions' resource sector developments contemplated in the near future. An airport should focus initially on attracting operators to the area as a seasonal forward operating base, with opportunities to grow resource sector, outdoor recreation, fire suppression, search and rescue, and medivac business. Once the helicopter operations are established, the airport should work to attract permanent operators and helicopter AME services.
2. Flight schools are most successful at airports that have open air space, are located at a distance from residential development and have a community to support the students. Quesnel Airport would be a suitable location for a flight school and could cater to the international students. This would require accommodation, food services, classrooms, revenue for the airport and economic development for the city.

3. Greenhouse development would be an appropriate use of the land at the airport. There are large tracts of land, limited servicing, and waste heat from the local industries and water from the river could be provided to support the greenhouses and the product could be shipped from the airport.

7.3 Services to the Travelling Public

There are some very specific services that the travelling public needs: car rental, taxi service and food and beverage. Overnight accommodation is another service required, but it is rarely offered at regional airports; rather it is located in the Town or City (hence the need for a car or taxi).

7.3.1 Car rental

Car rental is the number one service required for the travelling public. People who fly into Quesnel for business have no other way to travel around the region. During the preparation of this report, Dillon spoke to the President of Skeena Rent-A-Car Ltd. operating as National Car Rental who operated in Quesnel for a long period of time. They were the last car rental operator in the airport. It was noted that the business case would be a “tough sell”. The airport needs more direct flights, not circle tours through Williams Lake³. Most car rental operators need to keep a fleet of 30 units busy all the time. National only kept 13 vehicles busy. There are two elements required to make a car rental agency work:

1. The operator has to have a financial commitment. The vehicles have to be owned/financed by the operator. Unless the operator has their own staff and vehicles, the commitment is not there.
2. The airport needs both a larger number of passengers and consistent passenger numbers over an extended period of time to encourage a company to re-open here. The investment for a company includes acquiring a fleet of vehicles and insuring and maintaining them.

It is noted that National Car Rental was purchased by Enterprise and those locations that were franchised remain at the choice of the franchisee and many of the locations that were owned by National have been closed where the undue competition was not in the business plan for Enterprise. However, that does not explain the Quesnel situation. The City has determined that many communities smaller than Quesnel (Smithers, Fort Nelson and Creston) have car rental agencies. Even communities that do not have a regional airport seem to support a car rental service (Salmon Arm, Fernie), while others support multiple car rental companies (Castelgar, Kitimat, Smithers and Nelson).

7.3.2 Taxi Service

The provision of taxi service, particularly in light of the lack of car rental, is a critical service for the travelling public. There is no other way to get downtown. With direct flights from Vancouver, the passenger cannot even

³ Central Mountain Air is starting direct flights from Vancouver as of May 1, 2015.

phone from Williams Lake and order the cab to meet them at the airport. Cariboo Taxi has indicated it is not feasible to send a car to sit and wait at the airport for flight but to the fact that they are often late or cancelled due to weather. The airport was charging them to sit outside the airport. They did pay for a sign at the pay phone. For a small business, they felt it was too expensive to pay for a sign in the terminal and for the sitting time. They feel that everyone knows they are there and CMA will call for a cab for a passenger. They have seven cabs, four of which will be on the road during a week day. People can pre-order cabs. The Dillon Team recommends they negotiate an arrangement with the Taxi Company to ensure that one taxi is at the airport to meet each arrival. They could be given a phone number to confirm flight times (probably the CMA office) and the airport could waive the sitting fee and reduce the advertising fee.

7.3.3 Food and Beverage

Most airports provide food and beverage service for the travelling public through vending machines, kiosks or restaurants. The Quesnel Airport currently has vending machines. Although the land use for the airport allows a restaurant in the Terminal Building, it was not constructed or plumbed for a kitchen.

It is recognized that people do not spend a lot of time at the terminal building, unless weather has delayed flights. The airport is close to town and the security, due to small aircraft, do not require people to arrive an hour before their flights. There is low demand for food service at the airport.

7.4 Residential Airpark

The 2006 Quesnel Airport Business Plan suggested the development of a residential airpark. While it was not constructed, several stakeholders who participated in the consultation program again suggested an airpark.

A residential airpark is a residential subdivision that provides road access to the front of the homes and direct taxiway access from the rear of the properties. This allows the owners to have their own hangar and the ability to live near their plane and access the airport whenever they want. This has been a very successful phenomenon in the United States with over 630 residential airparks currently operating. It is different in Canada. There are a handful of residential airparks in Canada. However, the Transport Canada regulations and the restrictions on CMHC mortgages and mortgage insurance on homes within the 28 Noise Exposure Forecast contour limits residential development in close proximity of airports.

Currently there is a residential airpark at Fairmont Riverside Golf Estates (6,000 foot runway) and a residential airpark in Okotoks (3,100 foot runway). Lot sales are sluggish and the market has not been strong. However, “for many pilots, the thought of stepping out of the house, getting into an airplane and taxiing just a few hundred

feet to the runway — all without ever touching a car door — is the ultimate fantasy. For the thousands who live in residential airparks around the country, that way of life isn't just a pipe dream but an everyday reality"⁴.

The development of a residential airpark is not recommended here. It is an expensive development due to the need for both road and taxiway access and the demand is completely unknown. Should the City determine that the paintball operation on the airport land is not a long-term development, the land could be subdivided for residential airpark lots. It is recommended that if this is the direction of the City, that the lots be pre-sold and they be sold as bareland strata lots so that the strata fee would be collected to pay for maintenance and operation of the airport and in particular the taxiways. The Land Use Plan (**Figure 8**) does not illustrate a residential airpark on the airport lands.

7.5 Regional Economic Development

To replace the impact of the mills on the Quesnel and the Regional Economy, the size and scale of replacement or new projects is very large.

One of the considerations is the conclusion that there is abundant waste industrial heat that could be used in economic developments at the airport from both Quesnel River Pulp and West Fraser's MDF plant, at a cost of converting and shipping it to the actual site. This may be a way to capitalize on the agricultural leases at the airport by looking towards greenhouse growers who could use the heat (as the Silvi Grow forest seedling nursery currently does). In addition, a horticulture operation such as greenhouses can use wood waste in their steam systems, and Quesnel currently has a surplus of good fuel of that nature that could support greenhouse operations on the agricultural leases.

The OCP encourages protection of lands designated Agricultural Land Reserve (ALR) and recognizes the airport as part of this inventory. Dillon recommends a policy change to the OCP to have uses other than those permissible under ALR without consulting with the Agricultural Land Commission (ALC). However, it should be noted that the City's objective for airport zoned lands as per Section 9 is to support their economic use. Note also that the zoning allows for light industrial use. It appears that there are portions of the airport not in the ALR from the City's mapping and those uses should be directed there first.

⁴ www.flyingorg.com, February 10, 2014.

8 Sources of Funding

8.1 Airport Capital Assistance Program

The only source of federal funding for airports is the Airport Capital Assistance Program (ACAP) funding. The ACAP is funding for projects needed to meet an airport's required level of safety. The first priority for funding is for: rehabilitation of runways, taxiways, and aprons; lighting; visual aids; sand storage sheds; utilities to service eligible items; site preparation costs; and, aircraft firefighting equipment and shelters. The second priority for funding is: runway slowblowers and ploughs; runway sweepers and spreaders; winter friction and testing equipment; and heavy airside mobile equipment shelters. The final priority for funding is: sprinkler systems, asbestos removal and barrier-free access. ACAP funding is only provided for airports with year-round regularly scheduled commercial passenger service. There are limited funds every year and all airports in Canada compete for this money. Some airports wait years for the funding of a project.

Quesnel has in the past, applied for and received funding from ACAP. It is only for capital, not for operation and not provided every year.

8.2 Beetle Fund

There are two programs that may provide economic development funding that may be directed to the airport.

The first is the Cariboo Chilcotin Beetle Action Coalition. To guide its future activities, Cariboo-Chilcotin Beetle Action Coalition (CCBAC) will use its Mountain Pine Beetle (MPB) Mitigation Plan and associated sector strategies to provide a firm foundation for future project work. The program focuses on forest dependent communities impacted by Pine Beetle. The most successful applications will be those where the application involves multiple stakeholders in partnership, including local business and private sector involvement and support sustainable economic, environmental and social development in the community. The selection criteria require the applicant to demonstrate;

- **Strength of Partnership Participation:** This includes regional partners and stakeholders involved (First Nations, local governments, private sector and others) and the commitment they have made to the initiative or project (as measured by effort and resources). The leveraging of resources for specific projects will also be a key consideration.
- **Project Sustainability:** CCBAC will support projects that clearly demonstrate a full implementation plan and that can highlight how projects will support regional economic growth and diversification, social development or environmental sustainability in the Cariboo-Chilcotin.
- **Expert Involvement:** CCBAC will consider the establishment of a steering committee that guides the project or initiative as a valuable tool in ensuring that resources are well-used.

- **Reach of Project:** Priority will be given to projects and initiatives that address issues of widespread concern or that create solutions or tools that can be widely used throughout the Cariboo-Chilcotin.
- **Timing of Project:** Projects must clearly define the timelines in which they will initiate and complete their tasks and demonstrate their successes and value. Ideally, ongoing ventures will be self-sustaining within 24 months of initiation, or in the case of product-oriented projects, deliverables will be demonstrated to the Board within the same time frame.

Clearly the airport would meet the criteria if the group and the project were a collaborative effort and could demonstrate the involvement of all parties. The airport should identify a single project to pursue this funding.

The second program is the Northern Development funding programs. These programs are for economic diversification and infrastructure. They are available to local municipalities and regional districts. The Economic Development Capacity Building fund is a program that provides economic development capacity with annual funding to build economic development capacity in local municipalities and regional districts in northern and central BC. The grant provides up to \$50,000 rebate annually to local governments in the Northern Development Service Region. At least \$5,000 of the annual funding must be used to fund collaborative economic development projects with another local government, First Nation or industry association.

There is also the Pine Beetle Recovery Account that the City of Quesnel has already taken advantage of and may continue to do so.

8.3 Canada BC Building Fund

The Canada-BC Building Canada Fund – Communities Component is a shared funding program which included Local and Regional Airports as eligible projects. The deadline for submission was December 2014. At the BCAC conference in Kelowna in April 2015, the announcement was made that this funding will be extended.

Municipalities may submit two applications for funding during this intake. The details of the extended program are not yet available. This is a program that Quesnel should investigate and determine eligible projects and make application.

8.4 Municipal

Currently the City of Quesnel provides financial support to the airport. As the owner and operator of the airport, that is to be expected. Other than that, the City cannot become financially involved in the support or initiation of businesses at the airport, other than the Economic Development arm providing support and research and potentially assistance with Grant writing.

However, other municipalities have been involved in initiatives at airports such as subsidizing ferry service and Car-to-go (Prince Rupert), to developing land at the airport for industrial lease (Grande Prairie), to upgrading navigational equipment to increase surety of landing (Nanaimo).

Dawson Creek council considered guaranteeing a certain number of seats on the aircraft to ensure that the scheduled service continued, but did not proceed due to the uncertainty of the potential cost. WestJet started service in Comox because the Military guaranteed 80% load on every plane (after 2 years of WestJet service, the guarantee was not required because the direct flights from Comox to Calgary and Edmonton were over 80% full without any subsidy from the military).

Quesnel could consider a guarantee arrangement with flights, but more importantly, for a car rental company. This might include the City assisting with the purchase of vehicles for the company, collecting advertising money to pay directly to support the car rental company, working with companies who currently pick up and drop off employees or provide company vehicles. This would be an arrangement that would take study to provide cost estimates, quantify the level of risk and clearly establish what the benefits would be to the City and municipalities are limited by provincial legislation and Section 25 of the Community Charter.

Governance was not part of the study; however, the issue of sale or lease of lands is a constant discussion at airports. It is recommended that airside lands are not sold, but that all leases be lengthened to between 25 and 40 years. While the sale of lots provides a one-time cash contribution, the monthly maintenance fees would have to be charged on top of that and would have to be justified as strata fees by the operational costs of the airport.

While there may be concerns that establishing a new committee may create additional demands of staff and council resources, we are recommending that the City consider the establishment of an Advisory Airport Committee. This is a community airport and it is going to take private investment to develop the airport. It is recommended that a committee be created that is mandated to meet four times a year, whose membership is comprised of elected officials, staff and appointed public members. This open and transparent communication may assist the community in their comfort that the airport will remain supported by the City and that private investment is welcome.

8.5 Partnerships

Due to the high capital cost of upgrades and developments at airports, many airports look at partnering with the private sector⁵. This can include aviation upgrades (lighting, navigational aids, taxiway extensions, apron extensions) and business opportunities (the tax exemption bylaw, lease payment relaxation). In the case of Quesnel, this could include a flight school, a Forestry work camp and increasing the aviation uses on the airport.

This requires a strong economic development focus to seek out the firms that could provide potential contribution and to identify the potential projects.

⁵ Sundre Airport worked with Weldwood to share the cost of installing lighting at the airport to extend the operation of the airport to night operation and Josephburg Airport partnered with Shell to upgrade the runway to allow Shell to transport their work crews.

9 Strategic Actions

This section of the report provides the short, medium and long-term strategic actions proposed to achieve the goals of the airport and the City.

Figure 10: Proposed Strategic Actions

| | Short-Term | Medium-Term | Long-Term |
|----------------|---|---|---|
| Private Sector | <ul style="list-style-type: none"> • Car rental – establish a car rental operation at the airport – City will consider providing relaxations on the concession fees • Taxi stand – City waive the waiting fees and provide the advertising sign at a reduced rent • T-hangar construction for private aircraft for lease or strata sale • Food truck – to provide food service to the passengers at the airport • Fly fishing shop – to provide rentals of equipment • Mountain bike rental – to provide rentals of equipment • Fixed Base Operation (FBO) at the airport to provide hangar, air service and loading and unloading for freight • Group tours – encourage the travel industry to organize four seasons group tours | <ul style="list-style-type: none"> • Expanded parking (long-term) • Highway or tourist commercial on the access road to the airport | <ul style="list-style-type: none"> • Agriculture and Horticultural operations / businesses, including clearing of the north west side of the airport to convert the agricultural leases for the construction of greenhouses and processing |
| City | <ul style="list-style-type: none"> • City consider extending bus services to the airport • City continue to support the “Fly Quesnel” policy for all elected officials and staff when feasible • Connect Airside to Campbell Crescent through private taxiway to paid for and | <ul style="list-style-type: none"> • Should wait times at the airport lengthen and demand is identified, the City consider constructing a kitchen/restaurant facility at the Terminal Building • Should aircraft size increase the City may | <ul style="list-style-type: none"> • Service more airside land; this could be to the north east (GA) which could be unserviced and to the groundside to the North for rotor wing • If the paintball operation closes operation, clear the area, extend runway and |



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| | <p>maintained by users when the lot owners make financial commitment.</p> <ul style="list-style-type: none"> • Set up an Airport Advisory Committee to review development at the airport and make recommendations to Council • Clarify the development process and building standards • Prepare an Airport Master Plan • Prepare amendments to the OCP and the Zoning Bylaw to create an Airport District and land use related OCP policies (Development Permit Area) • Consider applying an Airport Improvement Fee | <p>consider expansion to the departure lounge, including a unisex accessible washroom</p> <ul style="list-style-type: none"> • Expand second portion of Campbell Crescent to Airside with demand from private investment | <p>construct 10 residential airpark lots</p> <ul style="list-style-type: none"> • Sell or develop the land in the west for residential development |
| City and Regional | <ul style="list-style-type: none"> • Equipment for the loading and unloading of Cargo – for just in time delivery and market garden agriculture • Agriculture Distribution Centre (refrigeration and sub zero building) | | <ul style="list-style-type: none"> • Non-precision instrument approach and departure systems |
| Economic Development | <ul style="list-style-type: none"> • Flight training school to cater to international students with accommodation and food and beverage services • Helicopter service - new TDZ (helipad) on the apron in front of the ATB • Lease the serviced land along the airport access road for helicopters (air traffic is currently not sufficient to require separation of fixed v. rotor wings) | <ul style="list-style-type: none"> • Runway extension to the south (requiring land acquisition) • Bring in a second airline such as Pacific Coastal and/or get a direct flight to Calgary • Develop helicopter leases and helipads to the north of the groundside operations buildings – separate the traffic from the runway | <ul style="list-style-type: none"> • FBO expansion |
| Community | <ul style="list-style-type: none"> • Set up a "friends of the airport" committee to work on fundraising and beautification projects. | <ul style="list-style-type: none"> • Fundraising for special projects and beautification | <ul style="list-style-type: none"> • |

10 Recommendations

The goal of this Business Plan is to provide pragmatic, realistic recommendations that the City of Quesnel can actually implement to improve the successfulness of the Airport. The following are the top

| Recommendation | Background | Actions | Timing |
|------------------|---|--|---|
| 1 Car Rental | <p>The companies we talked to have indicated that there is not sufficient demand. They need to keep a certain sized fleet to make it worthwhile for the insurance and maintenance. They need to partner with a local maintenance company. To get a successful rental operation in Quesnel, it will take all parties participating; companies, the city, the airport and the airline. The companies must know that there are direct flights to Quesnel, we need research to show how many people would rent cars if they were available, we need the companies to be ready to open corporate accounts, we need the airport to drop fees for the first year and we need a local maintenance company to partner with the car rental company. National did not appear to be interested in starting again. The City will have to be the initiator. Our suggestion is to contact other companies – maybe Rent a Wreck is a good place to start.</p> | <p>Contact Rent A Wreck (or other company) and determine their criteria.</p> <p>Survey passengers on CMA flights regarding car rental.</p> <p>Survey hotel guests regarding car rental.</p> <p>Prepare a proposal for the rental company – free use of kiosk at airport for first year, arrange a maintenance partner, and free parking.</p> | <p>IMMEDIATE ACTION</p> <p>The survey and discussions with a car rental company should start immediately.</p> <p>Costs would include:</p> <ul style="list-style-type: none"> • staff time to develop and administer and tally the survey. • Staff time to contact car rental companies • Staff time to prepare the proposal for the car rental company <p>Potential Revenue:</p> <ul style="list-style-type: none"> • It is recommended that the City waive fees at the airport for the first year. The revenue would not begin until year 2 of the operation and may be graduated. • Revenue and benefits to other companies and organizations will be difficult to calculate. |
| 2 Airport Zoning | <p>A general industrial zoning is not sufficient for an airport to attract development. It is recommended that the City develop an Airport Zone, an</p> | <p>Prepare a Master Plan for the Airport.</p> <p>Prepare a Development Permit Area, and/or amendments to the OCP to</p> | <p>IMMEDIATE ACTION</p> <p>The City should initiate the development of an Airport Master Plan, zoning regulation and potentially a Development</p> |


| Recommendation | Background | Actions | Timing |
|----------------|--|--|--|
| | <p>Airport Overlay Zone and potentially a Development Permit Area for the airport that outlines land available for development, delineates airside and groundside land uses and clearly outlines the process for approval of development on the airport.</p> | <p>include land use policies for the airport.</p> <p>Prepare an Airport Land Use District with development regulations and guidelines for the airport.</p> | <p>Permit Area immediately. This is a major marketing tool for an airport. Without these documents, potential developers and airlines have no sense of what can happen on the airport, what support the airport may have from the Community and the Municipality and what is actually wanted at the airport. It is recommended that while staff are capable of completing most of this work, an aviation consultant is hired to assist with the development of the policies, maps and documents. With the recent changes in staffing, a Master Plan and Airport Zoning will assist a senior clerk in the management of the airport.</p> <p>Costs would include:</p> <ul style="list-style-type: none"> • Staff time to work with consultant on the master plan preparation • Staff time to prepare and process zoning bylaw and OCP amendments • Consultant to prepare master plan and provide drafts and recommendations for zoning bylaw and OCP amendments (\$25 - 40,000) <p>Revenues:</p> <ul style="list-style-type: none"> • Anticipated increase in development at the airport |

| Recommendation | Background | Actions | Timing |
|---|---|--|---|
| <p>3 Fixed Base Operation and/or Hangar</p> | <p>There are many benefits to an FBO and large hangar. Aircraft can overnight, charter flights have 24 hour options, maintenance can be completed on aircraft and the FBO may take on the loading and unloading of freight.</p> <p>This is a private development initiative. The issue with the development of a project of this size is it must have a long lease (40 years with option to renew). The tax exemption bylaw will be a strong benefit – we are not sure that the operators at the airport fully understand the benefit.</p> <p>Marketing of this facility should be included in the joint marketing initiative (#7 below).</p> | <p>Promote the Tax Exemption Bylaw.</p> <p>Reduce lease rate for first 5 years.</p> <p>Extend the lease to 40 years.</p> <p>Communicate the intent to allow this operator to take over the cargo activities.</p> <p>Expedite the development and building permit process.</p> | <p>1 TO 3 YEARS</p> <p>The costs implicit in this action are all of the responsibility of the private developer. The City may stand to lose some revenue (tax exemption bylaw and potential reduction in lease rate for the first 5 years.</p> <p>These discussions should happen soon while the developer is still interested in the development.</p> <p>Revenue:</p> <ul style="list-style-type: none"> • Increased rent over time • Increased landing fees |
| <p>4 T Hangars and GA expansion</p> | <p>The land on the airport in airside industrial, can be utilized for T hangars for the small private pilots. It is proposed that the City make the land available and the Private Sector construct the hangars utilizing the tax benefit program. The private developer can then rent out the hangars, or they can be sold as strata lots. The land would still be owned by the City.</p> | <p>Identify the land for a taxiway and T hangar development.</p> <p>Promote the opportunity in aviation magazines and on line.</p> <p>Promote the Tax Exemption Bylaw</p> <p>Demonstrate through zoning or Master Plan the long range strategy for the airport (to build confidence in a private developer).</p> <p>Extend the lease to 40 years with renewal.</p> <p>Develop a list of people interested in leasing a T hangar.</p> | <p>3 to 5 YEARS</p> <p>The Master Plan and Zoning will establish the location for this development. Like the FBO, the City can put together a proposal for a developer showing the tax exemption, 40 year lease and potentially cost sharing on taxiway. The taxi way construction is a capital cost to the airport with no known source of funding for a municipality or regional airport.</p> <p>Cost estimate for the taxiway is not provided here because length and code are not defined.</p> <p>Revenue:</p> <ul style="list-style-type: none"> • Increased rents • Increased landing fees |

| Recommendation | Background | Actions | Timing |
|---|---|---|--|
| <p>5 Campbell Crescent Airside Access</p> | <p>It appears that there is one owner who is interested in airside access to the airport. One owner, without some solid commitment, is insufficient to extend a taxiway to provide access. There are safeguards in place to allow airside access from private operators. But the cost and who pays is the critical question here. The City cannot take on the cost of the taxiway construction for a single tenant.</p> | <p>Develop a plan and cost estimate to extend the taxiway to Campbell Crescent.</p> <p>Develop an amortized cost for the access.</p> <p>Meet with each land owner on Campbell Crescent and determine their intent to access the airport and to pay their share of the cost (through a local improvement tax or DCC). If all the owners agree, and sign the contract, and it is guaranteed that there will be cost recovery, the City will initiate the taxiway construction and secure gate construction.</p> | <p>3 to 5 YEARS</p> <p>This project only moves forward if the landowners and developers commit to cost sharing.</p> <p>Revenue:</p> <ul style="list-style-type: none"> • Cost sharing from landowners |
| <p>6 Joint Marketing</p> | <p>Marketing is critical to any initiative – for example, if a rental company restarts operations – it is critical that all potential users are made aware of that service. Anyone who benefits from the airport should be involved in the joint marketing. That includes the City, the airport, the airline, the hotels, the tour operators, the guides, the restaurants, the flying club, the car rental agency, any service providers at the airport and the major companies in town. The purpose of joint marketing is to get the best value for money spent, as well as benefit the greatest number of businesses.</p> | <p>City/Economic Development work with all parties to gain support and financing and develop a marketing strategy that will hit all audiences.</p> | <p>IMMEDIATE ACTION</p> <p>Depending on the success of the other initiatives, this is an ongoing process of marketing.</p> <p>Costs include:</p> <ul style="list-style-type: none"> • Staff time to prepare the materials • Printing and distribution costs of brochures, pamphlets and other hard copy advertising <p>Revenue:</p> <ul style="list-style-type: none"> • Increased economic activity in the region |

| Recommendation | Background | Actions | Timing |
|--|---|---|---|
| <p>7 Rotor Wing Centre of Excellence</p> | <p>With the development of logging, mining and pipeline activity outside of Quesnel, there is the opportunity to service that development with helicopter service. Quesnel could position itself as the centre for rotor wing operations. This could include training and maintenance. There is significant land at the airport to locate helicopter operations and land for the groundside operations.</p> | <p>The City/Economic Development should create an information package with the advantages of locating in Quesnel (including the tax exemption, lease reductions, long term leases, zoning ready for development etc) and contact major helicopter companies currently operating at other airports in BC and demonstrate why they should relocate.</p> <p>There are 90 helicopter operators registered in British Columbia. The complete list is attached as Figure 2. Seven of these companies are located at the Prince George Airport. There are also companies located in Smithers, Dawson, and Williams Lake.</p> <p>It is recommended that once the City and airport have identified an area and a strategy to attract the companies that they start with the seven companies in Prince George. You can offer a more central location, likely cheaper land, the tax exemption and a skilled labour force. Partner that with the outdoor sports experience and tour operators and you may be able to “sell” both the industrial and tourism aspects of the helicopter business.</p> | <p>3 to 5 YEARS</p> <p>This is likely a medium term action. Most of the companies are established in their location and have leases that will need to be “broken”.</p> <p>If the City/Economic Development can encourage two companies to locate at the airport, the costs will include road access to the site, and potential loss of revenue or reduced revenue for the start up period of time.</p> <p>Revenue:</p> <ul style="list-style-type: none"> • Lease and fuel sales • Increased business at the airport |

| Recommendation | Background | Actions | Timing |
|------------------------|--|--|---|
| <p>8 Flight School</p> | <p>One of the opportunities addressed by several groups was the lack of pilots internationally. This opens up the opportunity for a flight school. It could be geared to international students. The Quesnel airspace is open, there is land for facilities on the airport (or in town), there is capacity on the runway and taxiways. This could partner with the FBO for aircraft maintenance.</p> | <p>The City may contact existing aviation schools and determine if there is demand for a school in western Canada, in the north.</p> <p>One suggested firm is ATP Flight School. They currently operate 20 schools in the United States. The closest are in Seattle and Portland. They offer a license in 90 days, provide housing for students. Currently they advertise training in the US and Europe.</p> <p>There are currently 32 flight training companies in BC. Some are for helicopter only. Of the 32 facilities, 16 are in the lower mainland (Delta, Abbotsford, Pitt Meadows, Langley and Chilliwack). Only one is located in Prince George (Guardian) and one is located in Williams Lake (Lawrence). There is an opportunity to make the “pitch” to some of the companies in the lower mainland for expansion, lower cost, provision of housing for students, and skilled labour force.</p> | <p>3 TO 5 YEARS</p> <p>As with the helicopter recommendation, this is a medium term recommendation. The firms must be approached, a solid business proposition must be made, the company must obtain financing, construct facilities and sell the program to attract students.</p> <p>The costs to the City would include potentially upgrading or constructing road and taxiways depending on the location of the facility. No cost estimates are provided due to insufficient information regarding the location of the facilities.</p> <p>Revenue:</p> <ul style="list-style-type: none"> • Lease rates • Landing fees • General increased business to the region by the students • Use of skilled labour |



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Appendix A

Public Engagement Participants



Appendix A

| | |
|-------------------------|---|
| Amy Reid | Economic Development Officer |
| Tanya Turner | Director of Development Services |
| Councillor Scott Elliot | City of Quesnel |
| Jeff Norburn | Director of Community Services |
| Matt Thomas | Transportation Manager |
| Byron Johnson | City Manager |
| Bob Simpson | Mayor |
| Amber Gregg | Manager, Chamber of Commerce |
| Barb van Halderen | All West Crane |
| Jerry Bruce | CRD Director Area B, Flying Club member |
| Jahn Salewski | Forest Service |
| Jim Scott | MDF Manager, West Fraser |
| William Lacy | President, Chamber of Commerce |
| Margaret Inoue | EDO, Wells |
| Sylvain Gauthier | Director of Emergency Services, City of Quesnel |
| Kari Bolton | Director of Corporate and Financial Services |
| Gerald Pinchbeck | Intern, City of Quesnel |
| Laurey-Anne Roodenburg | City Councillor |
| Ron Styan | Quesnel Flying Club |
| Les Vaughan | Quesnel Flying Club |
| Norm Lindstrom | Quesnel Flying Club |
| Dan McKeith | Quesnel Flying Club |
| Don Parker | Quesnel Flying Club |
| Robert Le Poiderin | Quesnel Flying Club |
| Michael Prosser | Central Mountain Air |
| Barrie Holmberg | Central Mountain Air |