Business Case for the Sechelt Airport
Sunshine Coast British Columbia

Prepared for the District of Sechelt
November 22, 2012

SECTION 1: EXECUTIVE SUMMARY

The District of Sechelt owns the Sechelt Airport located at the top of Field Road in Wilson Creek. The airport properties were granted to the District initially from the Provincial government in the 1950's. Following a transfer of the airport property to the Federal Government, the lands were granted back to the Districts of Sechelt and Gibsons through a Federal Grant. More recently, at their request, Gibsons was removed from title and fee simple ownership is now held by the District of Sechelt exclusively. These crown grants include an obligation to use the lands only for the purpose of operating an airport. Failure to do so could trigger the reverter clauses in both grants which would cause the lands to be returned to Provincial Crown ownership.

The airport infrastructure, last up-dated in 1976 has reached or exceeded the end of its life cycle. Replacement of the runway surface is an immediate priority. Pavements have degraded to the point where an overlay of asphalt is not possible. Removal and replacement is the only acceptable option. Failure to do so could result in Transport Canada declaring the airfield unsafe and causing it to be closed pending appropriate rehabilitation of the runway.

The District would like to attract airline operators to provide scheduled air services. The Sunshine Coast is one of the only communities of its size and type in Canada without land-based scheduled airline services. In order to accommodate commercial passenger traffic (based on current carrier aircraft requirements), the runway will need to be extended from its current 2600 foot length to 4000 feet. Taxiways, lighting and terminal structures will also need up-dating. To generate revenue for the airport, the airport lands can be developed to provide leasing opportunities for business and industry.

The purpose of this business case is to examine whether the revenues that could be derived from a redeveloped airport support the investment required for the redevelopment program. The report identifies and quantifies the potential revenue opportunities for the airport using a set of assumptions regarding airline activity and land lease potential. The discussion includes an examination of alternative revenue scenarios should some of the base case assumptions concerning activity levels not be achieved. Cost estimates have also been prepared for the expenses of running the airport as a Transport Canada Certified Aerodrome.

The plan presents three options for funding the project and sets out a preliminary implementation timeline and communications plan to provide guidance in conjunction with the decision-making regarding funding and implementation.

The option of accepting the Status Quo has significant risks for the District. Without immediate work on the runway infrastructure the pavement quality will degrade to the point where it will become a serious safety issue. This presents two threats, the first that there will be an accident that can be traced to pavement conditions exposing the District to liability /insurance issues. The second threat relates to Transport Canada causing the facility to be decommissioned and potentially opening the doors to either the Federal and/or the Provincial governments invoking the reverter clauses.

The benefits to the community of having a fully functioning airport are considerable. The availability of reliable, all weather scheduled air services would benefit local residents, businesses and the tourism industry on the Sunshine Coast. In addition, having a functioning airport on the southern Sunshine Coast is an important building block in pursuit of stated economic and social development goals of the District. A final important benefit of the redeveloped airport would be the ability to provide medevac services to the community using fixed wing aircraft. This would result in significant savings to the Provincial Government. Over a ten year period, it is estimated that these savings would equal a $1million provincial investment in the airport rehabilitation project.

SECTION 2: PURPOSE AND STRUCTURE OF THE BUSINESS CASE

The current District of Sechelt Council views the redevelopment of the Sechelt airport as one of its top short term strategic priorities.

The purpose of this business case is to assess the revenue generating potential of the airport in relation to capital costs of redeveloping the airport along with the on-going cost and revenue implications of managing the airport as a ***Transport Canada certified aerodrome.***

The plan begins with a summary of the problem and opportunity associated with the Sechelt Airport.

This is followed by an examination of the revenue generating potential of the airport that contains three parts:

1. The demand for leased industrial land and a proposed market value for such land.
2. The demand for and potential supply of air services to and from the Sechelt Airport
3. Other revenue opportunities

A proposed multi-year operating budget for the airport has been developed based on the expenses associated with operating a certified airport and the revenue assumptions. Amortized capital costs for the airfield infrastructure are based on the Class D Estimates prepared by Associated Engineering and District of Sechelt estimates have been included for costs associated with the preparation of a Subdivision Plan for a first phase development of 18 lots on the airport lands.

The business plan includes an outline of a communications plan to support the socio-economic objectives for the redevelopment project. A marketing plan has been prepared as a companion document. As it contains a strategy and tactics for the development of commercial activities at the airport, it has been classified confidential.

The final section of the business plan examines funding options and alternatives.

SECTION 3: PROBLEM / OPPORTUNITY

3.1 Background:

3.1.1 The Airport

The Sechelt airport is owned by the District of Sechelt. Ownership of the airfield has changed hands a number of times between the federal, provincial and local levels of government.

The original gravel airstrip was constructed to serve the needs of general aviation on the Sunshine Coast. The original grant documentation refers to the need to have a facility capable of providing commercial air services to the Coast; however the infrastructure at the airport has never been sufficient to meet certification standards.

In 1976, the 2,400 foot airstrip was paved with a grant from the Federal Government and through the work of the District and airport user volunteers; runway lighting was added to the field.

The current condition and length of the runway taken together with the unreliability of the lighting and approach aids make it impossible for Sechelt to have the airport certified for scheduled commercial air services. The airport condition has been rated as “poor” and the service life of the runway, apron and taxiway infrastructure has reached an end.

3.1.2 The Community

The population of the Sunshine Coast has grown significantly since the airport was constructed. Sechelt in particular has seen 9% population growth between the 2006 and 2011 censuses. The population of the Sunshine Coast Region has grown from 27,759 to 28,619 between 2006 and 2011, an increase of 3% over the 5 year period. While population growth has occurred, the age profile continues to show a significant gap between the Coast and BC overall in terms of age demographics with the Coast attracting an older cohort. This raises concerns about both the cost of services including health care, for an aging population, and points to the need to attract and grow enterprises employing younger workers, thereby attracting young families to the Coast.

The economy of the region has moved from its traditional reliance on resource-based businesses to a mixed economy with a blend of service, small manufacturing and construction and real estate development. A further element of the new economy is the growth of recreational visitors

and vacationers to the Sunshine Coast. The Coast has long been a magnet for weekend visitors and vacationers, drawn by the natural beauty of the region, and the arts, cultural events, festivals and other attractions. Virtually all of the visitor traffic arrives by ferry (and some by private pleasure boat).

This pattern will continue in the future. That being said, the experience in other communities and regions similar to the Coast is that a small but significant amount of visitor traffic will arrive by small private airplane. A good example is Campbell River on Vancouver Island, which for many years has had a vibrant fly-in tourism based on salmon fishing.

Attracting business and industry to the Sunshine Coast has been hampered by the transportation challenges of getting to and from the Coast. At present, to connect with the rest of the lower mainland, residents must travel by car/bus and ferry or by float plane service from Sechelt's Porpoise Bay. It should be noted that the cost of ferry travel has continued to increase adding a further disincentive to investment on the Coast.

The transportation situation facing residents and businesses on the Sunshine coast is that they have no all-weather air service connectivity to Vancouver International Airport (YVR). Businesses lack the ability to easily transport customers and associates to and from the Vancouver area and beyond. Courier companies are unable to get rapid service to the lower mainland. And retirement and leisure commuters are unable to get economical and convenient connections to the Vancouver area and through YVR to the rest of the world.

3.1.3 The Opportunity

The rehabilitation, widening and lengthening of the runway to 4,000 feet, runway and taxiway lighting and navigation aids including a GPS approach and Precision Approach Path Indicator (PAPI) will provide the infrastructure needed for a commercial carrier (or carriers) to commence operations from the Sechelt Airport.

A further benefit of the redevelopment program is the availability of industrial-zoned land on the airport property. Having a fully certified and lengthened runway will enable the District to market the land as airport property (i.e. with access to safe reliable airport infrastructure). This will generate revenue from ground and building leases and provide operating revenue for the airport. An important corollary benefit will be the impact of the airport in terms of stimulating economic development activity on the Coast.

Finally, the redevelopment program would allow for medevac evacuations to be accomplished using fixed wing aircraft. The present airport infrastructure does not permit the use of the medevac fixed wing aircraft. The advantage to the Coast community of using fixed wing aircraft is that there would be less chance of service interruption due to inclement weather. (Air ambulance helicopters are currently used exclusively on the Coast and are not capable of operating during icing conditions which means that approximately 15 days per year, they are not able to provide service to the Coast).

The second benefit is that using fixed wing aircraft will result in significant cost savings for the BC government (see page 23 for details).

SECTION 4: REVENUE FORECAST FOR THE SECHELT AIRPORT

4.1 GROUND LEASES

4.1.1 Current Ground Leases

The airport has a number of current tenants both private and commercial. Ground Leases are being charged at $0.09 per square foot for private use and $0.235 and $0.24 for commercial use. The revenue forecast in this report is based on the following assumptions:

- The District will move ground lease rates to $0.25 per square foot once the airport rehabilitation work has been completed
- The District will provide a 20% reduction in the posted rate to existing non-commercial tenants, phasing in this adjustment over 5 years.
- The District will provide a 10% reduction in the posted rate for new non-commercial tenants.

It should be noted that there are currently inconsistencies in the current ground lease arrangements in that some leases are calculated on the building footprint areas only, while others include adjacent ground. The potential increased revenue that would be derived from regularizing this situation has not been factored into the revenue projections of this business case. It is recommended that the District move to regularize this inconsistency and ensure that up-to-date leases are in place for all properties currently rented on the airfield.

The following information illustrates two years of revenue information. The 2008 information was based on invoices issued by the District. The 2012 information was based on a review of leases.

There are some inconsistencies in the data and it is apparent that there are some omissions in the 2012 data (and likely the 2008 data as well).

2008 Sechelt Airport Land Lease Revenues

(Sourced from invoices provided by District Staff)

Item	Unit Cost
Ground leases - private	
Bradwell	360.64
Rudinsky	499.56

Reynolds	418.60
Mervyn	301.74
Spani	480.24
Hogan	480.24
Powell	1,320.20
Kuck	1,256.72
Richard	301.74
Ground leases - commercial	
Richard Bennett	4,385.00
Ministry of Forests and Range - Helitack	3,600.00
Ministry of Environment - Weather Station	1,200.00
BTJ Airborne Resources Ltd	6,549.45
Wray	278.76
Rudland and Rudland	3,425.00
Blackholm Helicopters	5,584.80
Doug Spani	753.60
Eliphinstone Aeroclub	2,232.00
	$33,428.29

2012 Sechelt Airport Land Lease Revenues

Sourced from leases(work prepared by Development Services Dept. DoS)

Rod Powell	1,297.80
Ronald Lindsay Bradwell	354.48
Chris Reynolds	411.60
Gene Hogan and Dale White	471.58
Richard Mervyn	291.51
Hans Kuck (lease document says Quattro Holdings	1,261.39
Harold Wray	973.85
Richard Rudinsky	491.23
BC Ministry of Forests and Range	3,600.00
Tide II Holdings	2,254.00
Rand Rudland and Bryce Rudland	4,752.00
Elphinstone Aeroclub	2,148.15
Blackcomb Helicopters Limited Partnership	5,376.23
Weather Tight Supplies	6.583.81
Environment Canada	1.00

Sunshine Coast Center	1.00
Doug Spani	301.74
Doug Spani	753.60
	$31,324.97

Using the 2012 data augmented with 2008 data for the Spani leases, the following sets out the revenue that would be generated if the land lease rates (based on the current square footage billing arrangement) were increased to $0.25

2012 information adjusted to show projected revenues based on a new lease rate of $0.25 per square foot (based on current lease footprints)

	Square footage	Annual lease charge	per sq ft	new rate(s) at end of5 year phase in
Rod Powell	15450	1,297.8	0.084	**2,870**
Ronald Lindsay Bradwell	4220	354.48	0.084	**1,055**
Chris Reynolds	4900	411.6	0.084	**910**
Gene Hogan and Dale White	5614	471.58	0.084	**1,044**
Richard Mervyn	3458.4	291.51	0.084	**642**
Quattro Holdings (Hans Kuck)	14,701.50	1,261.39	0.086	**2,942**
Harold Wray	11,271.43	973.85	0.086	**2,817**
Richard Rudinsky	5,458.00	491.23	0.09	**1,086**
BC Ministry of Forests and Range	32,291.73	3,600.00	0.111	**8,072**
Tide II Holdings	17,437.53	2,254.00	0.129	**4,359**
Rand Rudland and Bryce Rudland	23,039.90	4752	0.198	**5,759**
Elphinstone Aeroclub	10,010.00	2,148.15	0.215	**2,502**
Blackcomb Helicopters Limited Partnership	25,050.00	5,376.23	0.215	**6,262**
Weather Tight Supplies	30,301.31	6,583.81	0.219	**7,575**
Environment Canada		1.00		
Sunshine Coast Center		1.00		
Doug Spani	3,349.00	301.74		**837**
Doug Spani	5,618.00	753.60		**1,044**
Sunshine Coast Recreational Aircraft Association				
				$49,776

4.2 Future Land Leases --Phase One Subdivision –

4.2.1 Demand for Industrial Leased land at the Sechelt Airport

The District of Sechelt Planning Department prepared a subdivision plan for a first phase of industrial development for the airport. This plan was authorized by the Province of British Columbia in May 2012. There are two stipulations in this approval, one is that the lots be offered at market value rates and the second is that all excess revenues over expenses be re-invested in the airport.

In order to establish market value, a search of comparable properties was completed on June 1, 2012.

The results of this search are summarized in table #1 below and show that there is a very limited inventory of comparable industrially zoned land on the Coast, lower mainland.

Table #1

Property location	Size of property	Zoning	Price	Services
Sunshine Coast				
Lot H – McNair Forest Service Road	14.28 acres (9.58 usable)	I-7	519,000	Electricity at lot line Well Septic system
Lot 1 Venture Way Gibsons (adjacent to A&W)	3 acres	R3 I-1	1,350,000	Sewer, City Water, Electricity at lot line
Sechelt Inlet Industrial Park	Lots range from .5 to .75 acres	I	$307,000	Water, sewer, power
Burnaby				
No comparables				
Coquitlam				
No comparables				
Salt Spring Island				
No comparables				
Delta				
No comparables				
Maple Ridge				
23932 23950 River Road	.86	General Industrial	550,000	The land is assembled in 2 parcels of .4 and .46 acres

New Westminster				
Lot 88 Front Street	1	Heavy Industrial	$950,000	Riverfront land assembled in 5 parcels totaling 1 acre
Port Coquitlam				
No comparables				
Richmond				
No comparables 9 land is ALR or commercial retain (C) zoning				
Squamish				
38925 Progress Way	.9996 (43,386 square feet	Industrial	Lease $1.38 per square foot per year	Equates to $59,872 per year
38926 MIDWY	.996	Industrial	$1,280,000	Interestingly, this can be bought with neighbouring parcel (the leased lot above for a total of 1.992 acres)
1003 Enterprise Place	1.028	Light Industrial	699,000	
Vancouver				
No comparables				
Whistler				
No Comparables				
AIRPORTS				
YVR				Land available
Pitt Meadows				Land available
Abbotsford				Land available
Boundary Bay				Land available
Langley				Limited land available
Chilliwack				Limited land available
Sechelt				Between 25 - 30 lots
Powell River				Information not available
Victoria				Land available
Nanaimo				Land available
Campbell River				Land available

Based on the limited supply of industrial lands, it would be reasonable to assume that there exists a demand for industrial land and that the Sechelt airport lands would be able to take advantage of this demand, despite the accessibility and cost issues of travel to and from the coast. While this is appears to be a reasonable assumption it should be noted that, some industrially zoned land that is currently available on the Sunshine Coast has stagnated on the market.

4.2.2 Challenges Impacting Demand for Airport Industrial Land

Most airports in Canada are located on lands that have been granted by the Crown and carry with them a "reverter" clause -- which in the case of the Sechelt airport stipulates that ***the granted lands and every part thereof are used for the purposes of a public airport and that if they are not, the Grantee must acknowledge this to the Crown and surrender the lands.***

Provincial and/or Federal reverter clauses have proven to be problematical for airports wishing to use their lands to generate revenues for airport operations. Firstly because the use consistent with a public airport has generally been interpreted to mean only aviation-related businesses can be housed on these lands. Secondly, potential leasees planning to invest in building infrastructure (and the banks that partner with them in such investments) are deterred by the lack of security of tenure of the lands as it is interpreted that the Federal Government would not have to honour existing leases if the lands were surrendered (or reverted back by the Federal or Provincial governments).

The Federal Crown Grant carries a condition that any and all improvements to the land be approved by the Minister of Transport. This need not be a lengthy or onerous process but a necessary step. It is recommended that if Sechelt Council approves the plan to proceed with the airport redevelopment project (including the infrastructure development and industrial land development), that the plan be submitted to the Federal Minister of Transport for approval. Such approval would raise comfort levels and certainty for potential leasees at the Sechelt Airport.

4.2.3 Proposed Market Rate

The portfolio of land at the Sechelt Airport includes land that is available for industrial/commercial development. A review of industrially-zoned property for sale and/or lease was completed in June 2012. This review included an evaluation of the land lease rates at other airports in the lower mainland and

Vancouver Island. Based on these two sources a “market rate” is proposed for ground leases at the airport.

Research indicated that the market value for outright purchase of the industrially-zoned lots is estimated to be in the range of $250,000 to $500,000 per acre dependent on the attractiveness of the location. This equates to a range of $62.50 to $125.00 per square meter or $5.80 to $11.60 per square foot.

Converting these numbers to lease rates assumes a 65 year lease and the value of money rate of 5%. The annual lease rate would calculate between a range of $3.12 to $6.25 per square meter or $0.29 to $0.58 per square foot). Once you get beyond 50 years into the future, there is in reality very little difference in annual lease rates for the same present value purchase price. In other words, moving to a 99 year lease, the annual lease rate would still be very close to the 29 to 58 cent range.

The rate at the higher end of the spectrum (58 cents) would be well out of the range of offerings at comparable airports in the lower mainland and on Vancouver Island. With the market analysis and airport comparable analysis in mind, the recommendation is to initially “go to market” at $0.25 per square foot.

By way of example, a 26,750 square foot lot would have an annual net lease of $6,687 or $557 per month with approximately $125 per month in taxes. A 46,010 square foot lot would have an annual net lease of $11,500 or $958 per month with taxes of approximately $159.

The Province of British Columbia has authorizes the establishment of an eighteen lot industrial subdivision.

Making the assumption that these 18 lots (Phase One) could be leased at a rate of 3-5 per year over a 4 year period, the revenue at $0.25 per square foot is estimated to be as follows:

Calculation of Phase One land lease revenues based on $0.25 per square foot	YEAR 1	YEAR 2	YEAR 3	YEAR 4
	$27,717	$57,317	$86,380	$114,635

There is potential for further subdivisions on the airport property. A phase Two development has been identified for the north side of the airfield

adjacent to the runway. There is also the potential for additional leasable land once formalized lot boundaries have been established for current lessees on the property.

These potential revenues for Phase Two and the excess leasable land on the south side of the field have not been included in this business case.

4.3.1 DEMAND FOR AND POTENTIAL SUPPLY OF AIR SERVICES TO AND FROM THE SECHELT AIRPORT

4.3.1 Forecast Travel demand

BC Ferries traffic

In 2011, 1,290,783 passengers travelled to the Sunshine coast and 1,280,343 travelled from the Coast to Horseshoe Bay using the BC Ferry Service.[1] It is estimated that there are between 800 and 1,200 persons per day who commute from the Coast into metropolitan Vancouver for work.

BC Ferries found that when regularly scheduled air services were introduced in Powell River on the northern Sunshine Coast, that ferry traffic volumes decreased by 5%. Powell River is significantly more difficult to access than the lower Sunshine Coast, but even using the assumption that 2.5% of the volume would migrate to the air mode, this would mean that 64,278 individual air trips would be generated annually (this number equates to 176 travelers per day 365 days of the year or 5 full flights using a Dash 8 - 100).

Commuter traffic would be one source of travel demand. The flight to Vancouver combined with the convenience of the Canada Line from the airport to downtown Vancouver represents one potential traffic pattern.

The Float Plane service would likely still appeal to the downtown commuter traveler, particularly during the summer when the schedule permits a full day's work in downtown Vancouver.

Vacation and Visiting Friends and Relatives Travel

The two travel agencies operating from the Sunshine Coast were contacted to obtain their views on travel demand. They reported that a connecter service through YVR would be enormously helpful for people travelling from the coast to vacation

[1] BC Ferries statistics from http://www.bcferries.com

Business Travel

Business travelers from the Sunshine Coast who have connections through YVR would benefit from scheduled air services to the Vancouver International Airport. While business travelers are able to use the float plane service to the River at YVR to make connecting flights, baggage constraints and weather uncertainties limit the ability to use this service.

4.3.2 Supply of Air Services

WestJet, Orca, Hawkair, Island Coastal, Pacific Coastal and KD Air are possible candidates for providing scheduled air services at the Sechelt Airport.

The marketing plan sets out a strategy for marketing the Sunshine Coast and Sechelt airport to these airlines. For the purposes of this business plan, it is assumed that one airline would provide services with 2 inbound and outbound flights per day with an average load of 15 passengers per flight. This assumption is changed to add one mid-day flight per day on weekdays.

Revenues would be derived from the following sources:

- Terminal Rent for space used by airlines
- Landing fees
- Passenger Airport Improvement Fees

The following table sets out the revenue assumptions based on landing fees of $10 per inbound aircraft movement, $5 airport passenger user fee and terminal rent charges of $500 per month:

Airline operations	**Annual Revenue**
Years one and two	
Terminal Rent	**6000**
Passenger AIF	**54,600**
Landing fees	**14,560**
	75160
Years three and beyond	
Terminal Rent	**6000**
Passenger AIF	**74,100**
Landing Fees	**19760**
	99,860

4.4 OTHER REVENUE GENERATION SOURCES

The following is a list of other potential sources of revenue generation for the airport. As these represent very small amounts compared to the revenue potential of commercial airline operations and ground leases, detailed projections have not been prepared to estimate revenue from these sources. Nominal amounts for these items have been included in the revenue forecasts below.

- Fuel sales
- Tie downs
- Vehicle and visiting aircraft parking
- Terminal space rental
- Concessionaire space rental
- Terminal lease for after hours events
- Rack revenues
- Advertising revenues
- Special Events revenues

A further important source of revenue to the District is derived from taxation of airport tenants. Tax revenues have not been included in these calculations.

4.5 TOTAL REVENUE POTENTIAL

Based on the revenue projections for current ground leases, future phased one ground leases, airline operations and other revenue generation sources, the following table sets out the combined potential revenue for the Sechelt airport in the first five years of operation.

Combined revenue assumptions - Sechelt Airport

	Year 1	Year 2	Year 3	Year 4	Year 5
Current Ground leases	32,000	36,000	42,000	45,000	49,776
Phase One leases	37,717	53,317	86,380	114,635	114,635
Airline Operations	75,160	75,160	99,860	99,860	99,860
Terminal leases	5,000	6,000	7,000	8,000	9,000
Net Fuel Sales	2,500	3,000	3,500	4,000	4,500
Other miscellaneous revenue	2,500	3,500	4,700	4,700	6,700
	154,877	176,977	243,440	276,195	284,471

SECTION 5: OPERATIONS AND MAINTENANCE COSTS FOR THE REDEVELOPED AIRPORT

Once the airport has been certified by Transport Canada, there will be ongoing expenses associated with airport operations. Some of the services will be provided from within the District's current staff resources while other services may be contracted out. (Regardless of how the District decides to provide these services, they are real costs that accrue to the airport).

Expenses					
*Airport Operations Manager	60000	65000	70000	75000	80000
contract for snow plowing	1000	1000	1000	1000	1000
vehicle fuel	500	600	700	800	900
public liability insurance	30000	30000	30000	30000	30000
fuel storage tank insurance	5000	5000	5000	5000	5000
property insurance	2000	2000	2000	2000	2000
phone and cell phone	2400	2400	2400	2400	2400
heat and light	2400	3000	3600	4800	5200
office expenses	2000	3000	4000	4500	4500
bookkeeping	1200	1800	2400	3000	3500
audit and/or accounting services	5000	5000	5000	5000	5000
Terminal cleaning and maintenance	10000	10000	12000	12000	14000
Fuel costs for 100LL					
Advertising and promotion	26,850	5000	6000	7000	8000
Contract for CrashFireRescue	6000	6000	6000	6000	6000
*Airfield maintenance	5000	10000	15000	20000	25000
Grounds maintenance	4000	4000	4000	4000	4000
Small capital	6000	6000	6000	6000	6000
TOTAL EXPENSES	**169350**	**159800**	**175100**	**188500**	**202500**

*NOTES:

5.1 Airport operations management services include following:

- Annual planning and budgeting for airport operations, including plans for small capital
- Land use planning
    - Lot subdivision plans
    - Resolving current tenant footprints/lots/survey
- Leasing activities at the airport

    - Establish leases
- Financial record keeping for the airport
    - Revenues and expenses
- Development of a safety management system
- Maintenance of all safety record keeping
- Running the fuel concession
    - Reconciliation of fuel sold versus revenue
    - Ensuring quality of fuel sold
    - Ensuring safety and that fuel equipment is operational
    - Ordering fuel
    - Setting the price for fuel
- Ensuring the physical plant is being managed and maintained
- Ensuring the flight ways are clear of encroaching trees
- Ensuring the security of the physical plant
- Wildlife control and wildlife management planning
- Up-dating the website with current airport information
- Promoting and marketing the use of the airport
- Communications and Community Relations
- Ensuring accuracy of data in Canada Flight Supplement
- Preparing notices to airmen “NOTAMs” to advise of changed conditions at airport

5.2 Airfield maintenance

As the airport infrastructure will be new, a very small sum has been included in the budget for maintenance of the airfield. This would include replacing bulbs in the airfield lighting, sealing pavement cracks etc. This budget line item has been increased by $5,000 per year for the five year planning period to reflect the increased requirement for maintenance as the infrastructure ages.

5.3 Small Capital

Listed below are a number of small capital items that will be required to manage airport operations. Assuming some items such as the pickup truck could be purchased “used”, the costs associated with purchasing these items is estimated at $30,000.00. This amount has been included in the operating expenses and has been apportioned in five $6,000 charges over the five year period.

- Airport pickup truck fitted with beacon
- attachments for runway sweeper
- mobile VHF equipment for truck

- Lawn mower and gardening tools (could be rider mower powerful enough to be used as tug for emergency removal of aircraft from runway)
- Gun for bangers
- New security locks for fence gates
- Small hand tools
- Office supplies
- Phone system
- Computer
- Office equipment
- Pager
- cell phone

SECTION 6: COMPARISON OF PROJECTED REVENUES AND EXPENSES (FIVE YEAR)

The following is the base case scenario for revenue and expenses based on the assumptions set out in the report in terms of ground leases and commercial aviation activity.

Revenue	154,877	176,977	243,440	276,195	284,471
Operating Expenses	169,350	159,800	175,100	188,500	202,500
NET	**-14,473**	**17,177**	**68,450**	**87,695**	**81,971**

Based on the above data, by year two, the airport would be able to generate sufficient revenue to cover operating expenses.

In order to inform Council's decision making, calculations of revenues and expenses for three different scenarios have been prepared.

Scenario #1

This scenario contemplates that scheduled air services would be as per the assumptions in the business case, but only one third of the Phase One lots would be rented out. This has an impact on year 2 through 5 in terms of reduced revenues; however, the airport would still operate in a positive revenue position as of year two.

Total Revenue	154,877	162,377	194,777	201,277	210,777
Total Expenses	169350	159800	175500	188200	201800
Net	**-14,473**	**2,577**	**19,277**	**13,077**	**8,977**

Scenario #2

This scenario contemplates that the Phase One industrial lots would be leased out as assumed in the business case but the objective of finding an airline to provide commercial services is not met.

TOTAL REVENUE	79,717	102,817	143,580	178,335	187,835
TOTAL EXPENSES	118,850	104,200	112,400	120,700	127,600
NET	**-39,133**	**-1,383**	**31,180**	**57,635**	**60,235**

In this calculation, revenue has been adjusted to eliminate landing fee, passenger fee and terminal rental revenues. Expenses have been adjusted to reflect the fact that the airport would not have to provide airport management support consistent with having a commercial operator on the field.

Scenario #3

This scenario contemplates that the Phase One industrial lots would be leased out as assumed in the business case and that a commercial operator is providing services with a smaller aircraft with projected passenger loads of 5 passengers (versus the 15 assumed in the business case).

Total Revenue	118,477	125,977	145,377	151,877	161,377
Total Expenses	169350	159800	175100	188500	202500
Net	**-50,873**	**-33,823**	**-29,723**	**-36,623**	**-41,123**

This scenario shows that the airport will not operate in a positive revenue position during the five year planning period. It points to the importance of validating the assumptions surrounding travel demand and ensuring that any airline providing services to the coast is able to use equipment capable of achieving the load factors set out in the business case. It is recommended that the District hold preliminary discussions with the airlines identified in the marketing plan to validate these traffic assumptions.

Capital Funding:

Capital funding for the infrastructure and Phase One industrial lot development has not been included in the operating expenses for the airport as it is unknown what portion of this cost will fall in whole or in part to the District.

If the District is not able to secure funding from other levels of government and/or ICET, the total capital exposure for the District is $4,000,000 for the project (not including the terminal project). This capital cost has not been amortized and factored into the expenses for this business plan.

SECTION 7: BENEFITS AND OTHER NON-CASH CONTRIBUTIONS OF THE REDEVELOPED AIRPORT

7.1 Savings to Healthcare – using fixed wing versus helicopters

Average air ambulance flights per year	150
Average engine hours per flight	2
Cost of helicopter operations per engine hour	1000
Cost of King Air fixed wing operations per engine hour	400

Total estimated annual cost of air ambulance operations to the Sunshine Coast (current using rotary wing equipment)

300000

Total average estimated cost of air ambulance operations to the Sunshine Coast (theoretical using fixed wing equipment)

120000

Estimated cost of ground ambulance transfer from YVR to Vancouver hospital and from St. Mary's to Sechelt Airport

number of transits	trips/transit	cost per transit	Total cost per year
150	4	100	**60000**

Total estimated annual flight savings by using fixed wing equipment

180000	Helicopter costs minus fixed wing costs
60000	Ground transit costs
120000	

Total estimated savings over 10 years of operation

1200000	Ten year estimate of savings

No dollar value has been included to reflect the actuarial value of human lives potentially saved during the average of 15 days per year when helicopters are not able to be deployed for medevac operations to and from the Sunshine Coast due to icing conditions.

The following table was taken from InterVISTAS Multiple Account Assessment of the Airport rehabilitation project. While it is somewhat dated (i.e. – it cites the advent of the Canada line which is now in place), much of the information in terms of social and economic benefits to the community remain valid today.

Account	Scenario 1 No Runway Extension with Maintenance	Scenario 2 Runway Extension
Economic Impacts	The present rate of employment growth is expected to rise by an average rate of 1.3 % annually for the Vancouver Island and Coast Development region which includes the Sunshine Coast, from 2006 to 2011. This is considerably lower than the average percentage change for the province (2%) and furthermore the lowest projected rate of employment growth in BC.[2]	The extension of the Sechelt Airport runway will have ongoing economic impact as well as one-time economic impact during the construction period. The construction of the runway extension generates estimated one time economic impacts of: ▪ 48 direct full-time equivalent jobs ▪ $1.8 million in direct wages ▪ $2.8 million in GDP ▪ $7.2 million economic output Furthermore, the direct ongoing annual economic impacts of offering daily flights from Sechelt Airport to YVR which would only be possible if the runway will be extended: ▪ 5.5 direct full-time equivalent jobs ▪ $260,000 in direct wages ▪ $434,000 in GDP ▪ $920,000 economic output
Environmental Impacts	The Greenhouse gas emissions using a vehicle and ferry service to Vancouver are roughly 23 KG's of CO_2.	The Greenhouse gas emissions using air service and public transportation to Vancouver are roughly 12 KG's of CO_2. Thus, emissions would be reduced using air service compared to the vehicle/ferry option. The tree cutting necessary to extend the runway at Sechelt Airport has already been done. A small community located at the entry lane of Sechelt Airport might be impacted by noise caused by commercial aircrafts. However, since commercial services are very limited, no complaints or concerns are expected by that community and mitigation strategies can be put in place to minimize these impacts.
Social Impacts		The runway extension would make Medevac

[2] BC Statistics - http://www.bcstats.gov.bc.ca/data/lss/repm/dr1.pdf

Account	Scenario 1 No Runway Extension with Maintenance	Scenario 2 Runway Extension
		Services at the Sechelt Airport possible and could ensure fast medical treatments in emergencies even in bad weather conditions. Furthermore, from a social perspective scenario 2 will generate jobs and thus reduce unemployment rates and welfare payments. The saved money could be invested elsewhere and thus improve the social community.
Transportation Impacts		The development of Sechelt Airport will improve transportation access to the lower Sunshine Coast. The option of air service to YVR will reduce travel times to Vancouver downtown which is especially important for commuters and business travelers. Especially when the TransLink Canada Line will be competed in 2009, the Sechelt Airport will provide a fast and convenient connection from the lower Sunshine Coast to Vancouver downtown. Furthermore, commercial air service from Sechelt Airport to YVR will provide fast connections to international and domestic flights via YVR. This option is more convenient than driving to Langdale, taking BC Ferris to Horseshoe Bay and than drive to YVR and often requiring overnight accommodation near YVR for early and late-day departures and arrivals. Furthermore, high parking fees would apply at YVR. Especially in the summer peak season, BC Ferries experience long waiting times. A commercial air service from Sechelt Airport would provide some relief to busy BC Ferries Services.
Construction and Financing Costs	The current runway already exists 6 years over its predicted lifetime. If no maintenance occurs, the airport will have to be closed due to safety reasons.	Estimated $4.0 million for rehabilitation and runway extension of the Sechelt Airport.
First Nations Impacts		Sechelt Airport is not located on First Nations' land. First Nations are generally well

Account	Scenario 1 No Runway Extension with Maintenance	Scenario 2 Runway Extension
		organized and financially secured at the Sunshine Coast. No concerns or resistance against the development of the airport is expected.
Political Impacts		The Sechelt Airport is not located on First Nation's Land. The Sechelt Indian Band is generally well-organized and financially secure. The Sechelt Indian Band shares the interest of the rest of the community on a wide variety of economic development initiatives and in the importance of a viable and reliable local airport to serve the needs of band members and residents and visitors to the coast. The Regional and other local governments, support the redevelopment of the airport and the economic development potential of the airport.
Government Revenues		The projected jobs would generate increasing tax revenues at the federal, provincial, and municipal levels of government.
Tourism Impacts	Tourism will only grow organically at the Sunshine Coast.	The runway extension would provide the option to offer scheduled commercial air service. This provides tourists and visitors with an alternative option to travel to the Sunshine Coast besides using BC Ferries services. Offering a second option to reach the lower Sunshine Coast will increase tourism.

SECTION 8 – PROJECT COSTS FOR AIRPORT REDEVELOPMENT PLAN

The documentation detailing the plans for the runway rebuilding and extension to 4,000 are contained in the 90% engineering report prepared by Associated Engineering and held by the Director of Engineering Services of the District of Sechelt.

The plan includes improvements to the taxiway system at the airport and installation of runway and taxiway lights and the construction of a Precision Approach Path Indicator (PAPI) system.

The total estimated cost is slightly under $4 million.

A preliminary plan was established for up-grading the current terminal building to make it more accessible for persons with mobility challenges and also to expand the passenger check in and arrivals areas to accommodate commercial operations. The preliminary cost for this work is estimated at $500,000 and a grant application was submitted to WED for one half of that amount.

The District prepared estimates for the cost of bringing services to the 18 lots in the Phase One industrial development. These costs totaled $350,000.

Cash flow projections will be developed when the engineering drawings have been completed and the Plan of Construction has been prepared.

SECTION 9 – FINANCING THE PROJECT

9.1 Background

The Sechelt Airport project has been a priority of at least two successive Councils. District records show efforts to plan for redevelopment have been underway since 2004. The following outlines these initiatives and the efforts to secure financing for the project.

In 2004, the District commissioned an Engineering Firm "Global Approach" to develop a plan for redevelopment and upgrading of airport infrastructure at the Sechelt Airport. Global Approach developed a comprehensive and sound plan. There is no evidence that the District commissioned further work to translate this plan into detailed engineering drawings.

In 2008, Council engaged a consultant to assist in preparing a business plan and coordinate the preparation of an Economic Impact Analysis. The latter was completed by InterVISTAS Consulting in 2008/2009 and served as the backup documentation for a grant funding application to the Island Coastal Economic Trust (ICET) and a second application to the Provincial Government's Transportation Partnership Program (TPP).

A Stage One application was submitted to ICET and was approved. A Stage Two application was submitted and final approval was received from ICET confirming a funding grant of $1 million pending confirmation of the remaining $3 million from other sources.

Associated Engineering (AE) was retained by the District of Sechelt to develop detailed engineering plans and drawings for the project. They were instructed to design a project that focused on runway and taxiway infrastructure only in order to keep the project within the $4 million total cost. AE completed the 90% engineering work in 2010, but as it became apparent that grant funding was not forthcoming, AE was directed to stop work at that juncture.

There was a missed opportunity to access Federal "Infrastructure Stimulus Funds" (ISF) in 2009. Community Futures independently submitted an application for airport funding to the Federal Government through Western Economic Diversification (WED) at this time and the District did not or was not able to apply for airport funding pending the disposition of this application. The Community Futures/WED application was not approved and the window for application under the ISF program had closed.

A meeting was held with John Weston with the writer attending at his office in West Vancouver with Mayor, Council and staff joining the conversation by phone. MP Weston expressed an interest in the project however the writer is not aware of what follow up took place following this meeting.

In November 2008, then Provincial Minister of Transportation and Infrastructure, Kevin Falcon spoke to then Mayor Darren Inkster and recommended that the District submit a funding application through the TPP program "before Christmas". The application was prepared and submitted on time. However in the intervening weeks, funding had been removed from the TPP program. Provincial staff provided positive feedback on the application. They particularly were impressed with the description of non-economic benefits of the project. Had funding been available, the project would have secured a further $600 to $800K of funding.

WED currently has a modest infrastructure improvement program and a funding application for the "suggested maximum" funding of $250,000 was submitted in September 2012 for improvements to the airport terminal building and parking lot. As of November 15th, a decision has not been received on this application; however a WED official advised that announcements on project applications will be made during the week of November 19th, 2012.

9.2 Going Forward

9.2.1 Current Situation

Both the federal and provincial governments are facing fiscal challenges. Recovery from the economic recession of 2008 has been slow and taxation revenues, particularly in the natural resources sector have under-performed. At both levels of government there have been cut backs, layoffs and program cancellations.

At the federal level, there does not seem to be a grant program that could accommodate the needed $1,000,000 grant for the airport. As the airport does not have scheduled air services (a qualification requirement for infrastructure grant funding), the Airport Capital Improvement Program (ACAP) administered by Transport Canada is not an option. Funding through WED seems to be capped at very small amounts. A November 2012 policy change by the federal government states that there will be no further funding for airport runways except by special Cabinet approval.

The Provincial Government recently announced an infrastructure fund of $750 million. Some of these monies had already been allocated to projects,

but it is believed that approximately $250 million is available. The Premier appears to be the lead in this program in terms of making the announcement.

9.2.2 Strategies for Funding

9.2.2.1 – Option One – Government Funding

Even though there have been a number of missed opportunities for funding, a compelling case can still be made for the project. The strongest case can be made if the District of Sechelt demonstrates its commitment by approving its contribution to the project. A further demonstration of commitment to the project which would be useful in talking to other levels of government is to quantify the monies already spent on the project such as: tree clearing for the runway extension, Associated Engineering fees, planning fees etc.

The following steps are therefore proposed to assemble the $4.0 million required to fund the airport redevelopment project.

1. Obtain approval from Sechelt Council for $2 million in capital funding to be available for the project in fiscal year 2013/2014.
2. Secure confirmation from ICET of reinstatement of the previously approved $1,000,000
3. Secure updated written support letters for the project from:
    - SIB – Chief and Council
    - Gibson's Mayor Rowe
    - SCRD Chair Garry Nohr
4. Write to the Premier and Minister of Transportation and Infrastructure to request a meeting to discuss an urgent transportation issue for the Sunshine Coast and to secure confirmation of $1,000,000 provincial contribution.
    - This meeting to focus on:
        - Viability of the airport if redevelopment does not take place
        - Savings that would accrue to the province related to medevac flights
        - Tacit commitment to support the project (Falcon)
        - Show of commitment from other levels of government
            - Sechelt Commitment
            - ICET commitment
            - WED commitment (TBD) for terminal

Timing for Option One

If the runway, taxiway construction program is to take place in 2013, securing funding for the project is a critical first step and ideally should happen before the end of 2012, and at the latest by the end of January 2013.

The project implementation plan in Section 11 of this report sets "Funding Approval" as Key Step in moving the project forward. The timing requirements of the project implementation steps illustrate the importance of an early resolution to the funding issue if the project is to proceed during the construction season of 2013.

9.2.3.2 – Option Two – Public Private Partnership (P3) Formula

P3 arrangements have been in place in Europe for many years. The BC Liberal government studied P3's and put in place a P3 program "Partnerships British Columbia" early in their 2001 mandate. The P3 formula has worked to build such infrastructure projects as hospitals, bridges and roads, etc.

The private partner is generally responsible for designing, building and operating the infrastructure and generates revenue from operations that offsets their capital cost and provides an agreed upon return on investment. The public infrastructure projects in BC are ones that have a known and secure revenue stream which reduces or eliminates the risk for the private proponent. These arrangements are structured to be "win win" situations where the government benefits by having the infrastructure built without having to raise the capital and the private proponent wins by having a long term secure source of revenue.

The World Bank has produced an excellent summary of the issues and factors that must be taken into consideration in developing a public private partnership.

http://ppp.worldbank.org/public-private-partnership/ppp-overview/practical-tools/checklists-and-risk-matrices/airport-concession-checklist

The following is a list of some of the Airport Specific Issues they identify:

- Legal framework
- Scope of airport concession and concessionaire obligations
- Regulation
- Procurement
- Personnel transfer (if there are existing staff)

- Existing businesses and leases
- Property rights
- Revenues
- Concessionaire Default and Grantor Default conditions
- Termination conditions and compensation
- Insurance
- Sponsor support
- Lender security

This list illustrates the complexity and indirectly speaks to the time and resources that would be required to structure a public private partnership that would be a fair “win win” for the proponent and the District of Sechelt.

The community of Pemberton recently released a “Request for Statements of Interest” in exploring the P3 model for their airport. SNC Lavalin was chosen to work with Pemberton. According to press reports this is a very preliminary exploration of the potential of the airport and the viability of a contract, P3 or other long term arrangement.

Issuing an RFI to assess the interest of the private sector in a P3 arrangement is an option that the District of Sechelt may want to explore. However, the complexities of formalizing a P3 arrangement would take time and it is highly unlikely that the rehabilitation work could be undertaken in 2013 if this route were chosen. More significantly, given the financial assessment of the project, and the potential lack of sufficient return on investment as a stand-alone initiative, this approach would likely still require the commitment of public funding for most or all of the capital investment.

9.2.3.3 – Option Three – Public Ownership – Lease to Private Operator

This model in operation is very similar to the P3 option. The model is being used by the Corporation of Delta for the Boundary Bay Airport. It involves the establishment of a Head Lease with a private operator. The head lease sets out the obligations and requirements of running and maintaining the airport as a certified aerodrome. It also provides for the rent structure and obligations in terms of infrastructure contribution. While the current operator took on an existing lease in 2004 and only had 18 years remaining on this lease term, it became apparent that in order to attract sub-leasees the head lease would have to be extended. It was extended to a total of 49 years in 2007 and further extended to 99 years in 2010 or 2011. This allows the lease holder and sub-lease holders to get a reasonable return on their capital investments.

This is an option that could be explored by the District of Sechelt, structured so the holder of the Head Lease would be responsible for funding the capital necessary to replace the existing runway, extend the runway to 4,000 feet, redo the field lighting system, develop a terminal building and parking and install the necessary infrastructure to develop the leased land. In return, the Lease holder would be entitled to all the revenues from the operation of the airport and the airport lands. The District of Sechelt would charge annual rent and would levy taxes on the property and the businesses on the property. The rent could be structured to scale with the bottom line profit position of the operator. Such a model rewards performance and encourages bottom line revenue growth.

Considering the proposition from a net present value of money point of view using the net revenue projections in the base case scenario, the 30 year profit stream from operating the airport is estimated at approximately $200,000 annually. At a10% interest assumption, this could justify private investment of $1.8M - $2 M. The P3 and or Head lease alternative would most likely still require at least $2M of public investment.

Should the District issue and RFI for a potential P3, it is recommended that the Head Lease alternative be included in the RFI so that it could be discussed with proponents as an alternative.

9.2.3.4 Option Four – Modified Status Quo

A fourth option was discussed at the November 20, 2012 meeting of the District's Airport Development Advisory Committee. This option is to rehabilitate the existing length of the airfield, upgrade lighting and construct a PAPI as well as a GSP approach. A rough estimate for this scope of work is between $1.8 and $2.0 million. This length of runway would be suitable for recreational aircraft, helicopter operations and the length of the runway might be appropriate for carriers using smaller aircraft such as the Piper Navajo which can safely operate on runways of this length. The principle disadvantage of this option is the inability to operate the Beech King Air aircraft that are used in fixed wing medevac operations. This option would require re-engineering to meet the new specifications. Funding could be structured in a number of different ways, the following are two examples:

(a) Sechelt/ICET – share the cost 75/25 with ICET with the ICET contribution being set at $.5M and Sechelt at $1.5M
(b) Sechelt/ICET/Province – share the cost 50/25/25 with Sechelt contributing $1M, the Province $.5M and ICET .5M

SECTION 10 – IMPLEMENTATION PLAN

This plan sets out the principle steps involved with the construction project. It should be read in conjunction with the communications plan and the marketing plan. It is recommended that once funding has been secured that a detailed project plan integrating marketing, communications, community relations and project completion be developed.

Project Steps	*Timing Required*	***Responsibility***	***Performance Measures***	***Tentative Date***
1. Explore P3 or other alternative for financing/managing the project	Month 1	CIG/Council		November December 2012
2. If Option One is selected, Approval in Principle of project by Council	Month 1	CIG	Business plan, funding strategy including District commitment approved	Dec 2012
3. NOTE The balance of the implementation steps are designed for Option One of the financing options				
4. Updated letters of support for project	Month 1	CIG	Funding approval with participation from federal, provincial levels of government, and Island Coastal Economic Trust	Dec 2012
5. Re-instatement of Funding from ICET	Month 1	Mayor		Dec 2012
6. Secure Provincial funding	Month 2	Mayor		Dec/Jan 2013
7. Project notification/ approval of Minister of Transport	Month 1	Dir Plg		Jan 2013
8. Meet with Transport Canada Airports Division to review project and P0C	Month 2	Dir Plg		Jan 2013
9. **TOTAL PROJECT FUNDING COMMITTED**	**DAY ONE**			Feb 1
10. Project launch communication and media event	In months 1 - 2	CIG	Ground breaking media event and community information	Feb/Mar
11. Association Engineering asked to	6 weeks	Dir Engineering	RFP issued	Feb 1

complete drawings				
12. Associated Engineering to completed Plan of Construction	4 weeks	AE		Mar 31
13. Associated Engineering to develop tender documents	2 weeks	AE		April 15
14. Proponents prepare response to tenders	4 weeks			May 15
15. Associated Engineering to support Director of Engineering in reviewing Tenders		Dir Eng	Coverage obtained in local and aviation press	May 31
16. Terminal design		District	Design completed	April
17. Terminal, parking and access road construction		Dir Plg/ Construction		May June July
18. Geotechnical work update if required	4 weeks	Engineering firm/Geotechnical firm	Geotechnical report received	June
19. Drawings modified if required			Final drawings and revised estimates	June
20. Construction schedule finalized		Engineers	Construction schedule completed	June
21. Schedule adjusted as appropriate		Engineers	Final schedules issued	June
22. NOTAM's issued		Dir Plg	NOTAM's published	June
23. Grading and ground preparation and drainage work		Engineering and Construction	Extension ground preparation completed	July
24. Pavement removal		Engineering and Construction	Pavement removed	July
25. Removal of lighting system		Engineering and Construction	Lighting system removed	July
26. Pre-loading (if required)		Engineering and Construction		July
27. Paving		Engineering and Construction	Paving completed	August
28. Line Marking		Engineering and Construction	Lines painted	September
29. FEC and Light, nav aids installation		Engineering and Construction		September
30. Transport Canada inspection		Dir Plg/ Transport Canada		November

SECTION 11 – COMMUNICATIONS PLAN

The following key messages are proposed for the airport re-development project.

Key Messages:

1. Development of the airport supports the goals for jobs and the economy of the SSC
2. Development supports the communities of the SSC – social well-being, cultural, health and safety
3. Development and design mandated to meet high environmental standards

Audience	Messages	Method	Timing
Airport Users based at airport	Safety; better and more diversified services at airport	Meeting at airport	At time of funding approval before ground breaking
Airport Users not based at airport	Reliability; services; safety	Website information Poster at neighbouring airports	Following approval/funding and start date for rehabilitation project
Airport Businesses	Improve access to markets; synergies for growth in businesses reliant on air services	Individual meetings at airport office locations	At time of funding approval before ground breaking
Travel Agents	Improve diversity of travel options and ease of travel for vacation, personal and business travel	Meetings/phone meetings	At time of funding approval before ground breaking
Sechelt Indian Band	Reliable service; support band economic objectives;	Meetings	Dec 2012 to discuss letter of support At time of funding approval
Other levels of government on the coast	Reliable service; alternative medivac service	Meetings	Dec 2012 to discuss letter of support At time of funding approval
Chambers of Commerce	service reliability; support economic objectives; improve tax base; diversity of travel options; improve attractiveness of	Meetings/Presentations	Dec 2012

	SSC as a place to live and work; easier to attract employees ; development fly-in tourism (fishing, resorts, golf)		
Real estate industry	Improve access to SSC from mainland/Alberta/Sask; enhance real estate market	Meetings	Month of ground breaking announcement
Airlines	Business development opportunity	Meetings	Preliminary meetings to assess airline interest – November December Following approval/funding, solicit specific commitments
Arts community	Alternative to ferries for visitors to arts festivals; support marketing of arts products outside the SSC	News letter/letter	Following approval/funding
Environmental groups	Design and construction of airport improvements to high standards of environmental protection; noise protection measures	Letters	Following approval/funding
General media	No other place in BC is without a serviceable airport and scheduled air services; existing runway and taxiways – as bad as they are – will soon run down to become unusable; no prospects for ferry services to get better are need an alternative for business and vacation travel.	Press Release with backgrounder and Q's and A's	Following approval/funding and start date for rehabilitation project
Roberts creek and other communities	Noise abatement procedures Noise footprint	Community meeting	Following approval/funding and start date for

affected by the flight approach and departure paths	information about target aircraft Positive impact of airport on economic development and jobs		rehabilitation project
Sunshine Coast Tourism	Improved transportation alternatives Opportunity to partner in marketing effort	Meeting	During timeframe of discussions with airlines