

MUSKOKA AIRPORT

LAND SALE, LEASE AND RENTAL POLICY

Introduction and General Requirements:

In order to administer the land base of the Muskoka Airport in an effective manner and in the long-term interests of Muskoka, it is necessary to have policies to guide the sale, lease and rental of property. These policies are adopted by the Muskoka District Council and are implemented through the Muskoka Airport Implementation Committee and staff.

The use of land shall follow and conform to the Muskoka Airport Master Plan, which was prepared September 1999, and will be amended from time to time. The lands available for sale and lease are illustrated on the attached map. This map depicts the general land administration policy, however, Council reserves the right to consider all commercial proposals that would support the long-term public interests (e.g. new employment and investment) and operation of the Airport.

Purchasers or tenants will be required to meet the requirements of the Federal, Provincial and Municipal governments (e.g. height restrictions, building permits, septic permits, etc.) and provide the necessary documentation to this effect. Comprehensive site plans and a description of the proposal will be required as part of any lease or purchase application.

No temporary structures or buildings are permitted on leased or purchased sites other than during the construction period, which shall not exceed one year unless special approval is requested and obtained. Muskoka must approve the placement of all building or structures on Muskoka Airport property before any construction or installation occurs. On sites that are sold, it will be a condition of the sale agreement that the authority having jurisdiction must approve or issue the applicable permits for buildings, structures, septic fields or wells.

Council may, in its discretion, update the Airport land value appraisal, as it deems necessary, in order to implement the provisions of the Municipal Act and By-law No. 95-20, regarding the disposition of municipal property.

For purposes of this policy the term “commercial” shall mean an aviation-related business or operation.

Land Sale Policy:

The purpose of the Airport Land Sale Policy is to encourage the growth and development of the Muskoka Airport for aviation purposes as an important economic generator for the area. Businesses have indicated that in order to secure suitable financing, it is necessary to own rather than lease their property.

1. As of the effective adoption of this policy by Muskoka District Council, all existing airport tenants will until December 31, 2000, be able to purchase their sites, subject to the principals detailed below and pricing that is acceptable to Muskoka District Council. Effective January 1, 2001, land will only be considered for sale for commercial purposes in the designated areas on the attached map.

It is recognized that the final decision to sell any Muskoka District property rests with the Muskoka District Council in accordance with the provisions of the Municipal Act and By-law No. 95-20.

2. Muskoka based on the amount of land that is or will be actively used for building and other directly related purposes, including a reasonable area for expansion, will determine parcel sizes. Excess land will not be sold but retained by Muskoka for other purposes.
3. A purchaser may choose a combination of purchased and leased property and this will be encouraged. For example, the building and a small side yard area (or "footprint") around the buildings may be sold and the outside storage area or area for future expansion could be leased.
4. Muskoka will retain the right of first refusal on any sale of property. If an owner receives a valid offer to purchase Muskoka will have the ability to obtain the site within a specified time period.
5. Purchasers of sites that are presently vacant will be obligated to build on a site within a one year time period or Muskoka will have the ability to re-acquire the property at the original purchase price. Partially completed buildings, unfinished buildings or projects shall not be permitted beyond one building season.
6. Other than the provision for existing tenants in section 1 above, an owner requires a minimum investment level of \$75,000. Investments of a smaller nature do not require the sale of property and may be accomplished through lease or rental of airport property. Outside storage will be limited in order to maintain the image of the facility and protect Airport revenue streams.
7. Restrictions on the use of land and building restrictions will be reserved by Muskoka and registered on title as part of the sale process. Site plans and proposed construction drawings will also be required.
8. The cost of disbursements will be added to the sale of land and recovered so that this process does not add to the operating expenses of the Airport. Survey costs, legal and other fees will be the responsibility of the purchaser, in accordance with normal business practices.
9. In all cases, the Airport Maintenance Charge will remain in effect and be subject to periodic adjustment.
10. Purchasers will be required to keep their sites free and clear of environmental contaminants to protect, not only Muskoka's interests but also avoid taxpayers incurring cleanup costs, which can far exceed any sale or rental revenues. Muskoka may require an environmental audit at the expense of the owner, prior to the transfer of the site to another party. If the audit determines that an environmental problem exists, it will be the responsibility of the owner to rectify the problem prior to transfer of the property.
11. All sales will be subject to the regulations, policies or procedures in place at the Airport when a sale is being contemplated (example: fuel tank policy).
12. All indebtedness owing to Muskoka through taxes, existing or new agreements or leases, must be paid in full prior to any sale of land being completed.

Land Lease and Rental Policy:

1. With the exception of the protection period for existing tenants described in the first section of this policy, non-commercial uses will only be permitted on leased or rented sites.
2. The lease of property will continue to be encouraged as an appropriate means of developing airport lands in the designated areas on the attached map.
3. All leases will be subject to review and possible adjustment to reflect the current land value appraisal at the time of the lease renewal (i.e. five year renewal period) and other operating costs at the Airport.
4. The length of a lease will be determined at the time a proposal is received. It is recognized that in order to secure financing a tenant may require that the length of the lease match the term of their loan. This factor will be taken into account when the Committee and Council consider the matter.
5. The Airport will continue to offer land for rental purposes for aircraft parking (e.g. tie downs) and other short-term aviation uses in accordance with the fees established by By-law, as amended from time to time.
6. Sections 5,7,10,11 and 12 of the land sale policy also apply to leased and rented lands.