

Subject: 2021 Sustaining Grant Allocation**APPROVALS:****Jamie Doyle**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT a \$15,000,000 Sustaining Grant be allocated to the Fort McMurray Airport Authority for 2021, to be funded through the Emerging Issues Reserve.

Summary:

The Community Investment Program's Sustaining Grant subsidizes registered non-profit organizations that operate and maintain municipal-owned recreation facilities and/or provide strategic services that contribute toward the goals identified through the Regional Municipality of Wood Buffalo Strategic Plan 2018-2021. The Fort McMurray Airport Authority (FMAA) is an eligible applicant as a Strategic Partner, providing a strategic service that is of benefit to the entire Region.

Background:

The mandate of the FMAA is to “manage the airport safely, securely, and efficiently, advancing economic and community development for the general benefit and quality of life of the public in the region.” It does not receive federal or provincial subsidies for its operations, and has stayed open during the global COVID-19 pandemic to provide essential services with very little revenue coming in.

In 2020, the FMAA has seen over 60 per cent fewer passengers, translating to significant loss of revenue. Without financial support from the federal, provincial and municipal governments during this time, it will have depleted its financial reserve balance by 2023; this is not fiscally sustainable for its operations in the Region. The recommended Sustaining Grant supports the Region through ongoing business attraction and investment, increasing local business imports and exports, and supporting small business start-ups.

Budget/Financial Implications:

The \$15 million Sustaining Grant is outside of the approved 2021 Operating Budget. Financial Services has identified the Emerging Issues Reserve as the source of funding

for this grant.

Rationale for Recommendation:

The operation of the Fort McMurray International Airport is a key factor in economic recovery and sustainability of the Region.

Strategic Priorities:

Regional Economic Development

Attachments:

1. **2021 Sustaining Grant Summary - Fort McMurray Airport Authority**
2. **2021 Sustaining Grant - Fort McMurray Airport Authority - Presentation**
3. **2021 Sustaining Grant Application - Fort McMurray Airport Authority**