

City of Kingston Report to Council Report Number 24-181

То:	Mayor and Members of Council
From:	Paige Agnew, Commissioner, Growth & Development
	Services
Resource Staff:	Brandon Forrest, Director, Business, Real Estate &
	Environment
Date of Meeting:	July 9, 2024
Subject:	Leasing Matter – Kingston Airport (YGK)

Council Strategic Plan Alignment:

Theme: 5. Drive Inclusive Economic Growth

Goal: 5.2 Evaluate policies, programs and services to support the use of the airport.

Executive Summary:

Kingston Airport, referred to by its international location code as (YGK), has several ongoing land leases with tenants operating long-term aviation related businesses. In accordance with the City of Kingston's Delegation of Authority By-Law Number 2016-189 and associated By-Law Number 2014-141, new leases over \$150,000 in value for the associated term, or lease terms longer than ten years, require Council approval as they are above the threshold limits delegated to City staff.

Nav Canada is a current tenant providing civil air navigation services for YGK and operates the Flight Service Station (FSS) at the airport by way of a land lease. Nav Canada is establishing a Digital Aerodrome Air Traffic Services program (DAATS) throughout Canada which involves leveraging digital aerodrome technology to facilitate remote FSS operations. They have chosen Kingston and YGK to transition their FSS to evaluate technology and operating procedures, which will provide a foundation for the creation of a potential digital hub in Kingston. The digital hub would provide air traffic services to airports in other communities in four to six years time. To facilitate the DAATS program, NAV Canada is proposing to expand its current FSS building

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to allow for additional staff, technology and equipment in support of the program. City staff are seeking approval of a new land lease with Nav Canada, which will replace the existing lease.

Recommendation:

That Council approve a new lease agreement between NAV Canada and The Corporation of the City of Kingston for premises located at the Kingston Airport; and

That Council authorize the Mayor and City Clerk to execute the lease agreement between NAV Canada and The Corporation of the City of Kingston, in a form satisfactory to the Director of Legal Services or designate.

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Authorizing Signatures:

ORIGINAL SIGNED BY COMMISSIONER

Paige Agnew, Commissioner, Growth & Development Services

ORIGINAL SIGNED BY CHIEF

ADMINISTRATIVE OFFICER

Lanie Hurdle, Chief Administrative Officer

Consultation with the following Members of the Corporate Management Team:

Jennifer Campbell, Commissioner, Community Services	Not required
Neil Carbone, Commissioner, Corporate Services	Not required
David Fell, President & CEO, Utilities Kingston	Not required
Peter Huigenbos, Commissioner, Major Projects & Strategic Initiatives	Not required
Brad Joyce, Commissioner, Infrastructure, Transportation & Emergency Services	Not required

Desirée Kennedy, Chief Financial Officer & City Treasurer

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Options/Discussion:

Background

Nav Canada provides air traffic control and related services for YGK and airports throughout Canada. A land lease has been in place since 1997 facilitating the current FSS building at YGK. Nav Canada is proposing to operate their DAATS program at YGK which will involve constructing approximately a 5,500 square foot, two storey addition onto their existing FSS building along with associated civil works as represented in Exhibits A & B.

Analysis

Nav Canada has chosen Kingston and YGK as a site for a new digital facility as part of their new multi-year DAATS program. The DAATS program was established as a technological step forward by leveraging advanced digital aerodrome technology to modernize and digitize air traffic services at Canadian airports over the next 15 to 20 years. The DAATS concept consists of three main technology elements: airport sensors; a digital facility; and the data network. DAATS will use high-resolution optical sensors (video) and other sensors to capture what is happening at an airfield in place of a traditional out-the-window view from the air traffic control tower and FSS. The onsite hardware will include both fixed and pan-tilt-zoom optical sensors that can track aircraft in the air and on the ground, as well as vehicles and wildlife that could pose a hazard. The live video and data feed, transmitted through secure data networks will provide an immersive visual presentation of the airfield and surrounding area on a large set of integrated video screens at a digital facility that could be located anywhere. These screens, along with the other communication, surveillance and air traffic management technology will provide NAV Canada employees at their workstations with the visual surveillance required to safely manage the air traffic movements on and around an airport. Pilots arriving and departing Canadian airports will receive the same level of service from NAV Canada employees working in digital facilities as compared to conventional operations.

The addition at YGK will allow space for a DAATS operation room and additional support spaces/amenities required for additional staff on-site in support of the program. Minor modifications will also be required to the existing FSS building to accommodate implementation of the DAATS program. Additional land is required to accommodate the addition to the existing FSS as well as new security fencing for the facility. NAV Canada is expecting to commence construction of the addition in the fall of 2024 and will be required to tender the associated construction contract shortly following execution of a new lease. An access road for airport operations will need to be relocated/reconstructed at the expense of NAV Canada. The exact area of the leased lands has not been fully concluded as the relocation and configuration of the existing access road will govern the final footprint.

The current lease with NAV Canada commenced in 2017 and expires in 2027, with no right of extension. NAV Canada has requested a new lease with a ten-year term, with the option to extend for two additional five year periods. City staff procured an Airport Fees and Charges Review report in 2023, completed by an external consultant, to assess and recommend updated

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airport fees and charges, including land lease rates. The annual land lease rate for 2024 will be in accordance with this rate and adjusted annually in accordance with the City's Revenue Leasing and Licensing Policy. The land lease rate will also be in-line with recently renewed land leases at the airport.

Existing Policy/By-Law

Revenue Leasing and Licensing Policy

Financial Considerations

Granting long-term leases at YGK provides increased support and sustainability of airport operations and creates a path for further financial expansion in the future. Tenants contribute a proportionate share of the property taxes.

Contacts:

Evan Embacher, Property Specialist, 613-546-4291 extension 2429

Other City of Kingston Staff Consulted:

Aron Winterstein, Airport Manager, Kingston Airport

Jenna Morley, Counsel for the City of Kingston

Exhibits Attached:

- Exhibit A Proposed Site Plan of Leased Lands
- Exhibit B Rendering of Proposed Building Addition



Location: P:\60000\60023-160 - NAV - Kingston Transitional DAATS Facili\03-Production\01-Civil\60023-160 Civil Site Plan.dv





