



Legislation Text

File #: RFD 21-122, **Version:** 1

Edmonton Global Air Service Opportunity Fund - Funding Request

Proposed Motion

That Council approve the funding request for Edmonton Global Air Service Opportunity Fund, by Edmonton Global, in the amount of \$497,632 to be funded by Future Operating Restricted surplus over three-years as Parkland County's contribution of a \$15 million Air Services Opportunity fund, as presented.

Administration Recommendation

Administration presents the proposed resolution for Council's decision.

Purpose

Edmonton Global and Edmonton International Airport presented the Air Services Opportunity fund to Council in Closed Session on June 8, 2021. No decision was made at that meeting.

Summary

Edmonton Global requested that Parkland County authorize an amount of \$497,632 over three-years as Parkland County's share of a \$15 Million Air Services Opportunity Fund. The Edmonton International Airport (EIA) is calling on surrounding municipalities to urgently establish the fund to help the struggling airport following the COVID-19 pandemic. EIA has suffered significantly during the pandemic as a result of lost international flights.

Edmonton was not selected by the federal government as one of the four ports of entry into Canada. The airport made \$128 million less in revenues in 2020 compared to 2019 and lost 39 direct flights, now only offering 13 compared to 52 before the pandemic. Under this initiative, a \$15-Million incentive fund would be established that would help lower airline operating costs for international direct flights. The hope is to incentivize airlines to continue planning international flights through the airport. The fund would be utilized if an airline agrees to schedule an international direct flight but would be returned to the municipalities if there are no flights booked.

Strategic Plan/Policy/Legal/Staff Implications:

Strategic Economic Diversification: support the continuation and evolution of traditional economic activities, while pursuing new opportunities for diversified and sustainable growth.

Financial Impact:

Cost: \$497,132 (\$101,632 Year 1, \$197,750 Year 2, \$197,750 Year 3)

Source of Funding: Future Operating Restricted Surplus