



Report to SMA Commission on Airport Development Concept and Proposed Airport Related Uses

STAFF REPORT TO SMA COMMISSION

FROM: Steve Furness, Investment Manager Grey County

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SUBJECT: Airport Development Concept and Proposed Airport Related Uses

Saugeen Municipal Airport Development Concept

Recommendation

That the Saugeen Municipal Airport Commission receive and accept the report prepared by Economic Development staff from Grey County outlining a development concept for the Saugeen Municipal Airport, and that the Commission support the range of potential uses identified within the concept plan as a framework to guide future development, investment attraction, and the long-term financial sustainability of the airport.

Overview

Economic Development staff, working in collaboration with the Saugeen Municipal Airport Commission and airport staff, have been reviewing the development potential of lands at the Saugeen Municipal Airport over the past several years. The airport is a significant regional asset that already benefits from established infrastructure including runways, aviation support facilities, existing aircraft hangars, electricity, natural gas, and water servicing. These services position the airport as one of the few sites in the region capable of accommodating aviation-related development without the need for extensive new infrastructure investment. The airport currently serves a mix of public sector users, private aviation operators, aviation-related businesses, and recreational users. Three municipalities continue to support the airport through municipal contributions. The long-term objective of this work is to ensure the airport can increasingly sustain itself financially while also generating economic benefits for the Counties of Bruce and Grey.

Development Concept

The development concept prepared by Economic Development staff identifies opportunities to utilize available airport lands for aviation-related and compatible uses that would support both airport operations and broader regional economic activity. Potential uses identified in the concept include aviation-related industrial buildings, business and commercial service space, additional aircraft hangars, hospitality accommodations such as a hotel, and residential aviation-related “fly-in” housing. The concept respects aviation safety regulations, engineering standards, and required development setbacks to ensure that airport operations can continue safely while allowing for future development opportunities. Servicing options are also being reviewed to support future development. A standalone sanitary servicing system is currently being investigated as the most viable option for the airport lands. Extending sanitary services from

either the Town of Hanover or the Municipality of Brockton (Walkerton) has been explored; however, preliminary analysis indicates that these options are not financially feasible due to the distance and cost associated with extending municipal infrastructure.

Planning Framework and Zoning Considerations

The concept plan identifies a range of potential uses to provide flexibility in responding to future investment opportunities. The intent is not to pursue all development opportunities simultaneously, but rather to establish a long-term framework that allows the airport to respond quickly when opportunities arise. Planning for a broad range of compatible uses at this stage ensures infrastructure planning can accommodate future development, strengthens potential applications for provincial and federal funding, and allows the airport to attract investment without requiring lengthy planning approvals once interest is expressed. To support this framework, amendments to the current zoning by-law will be required. The existing zoning largely focuses on airplane manufacturing, and a limited number of aviation uses, which restricts the ability to attract a broader range of aviation-related industries and services. Expanding the permitted uses to include a broader definition of airport-related activities would provide greater flexibility for investment attraction while still maintaining the aviation-focused function of the site. At the same time, it is important that the airport remain focused on uses that benefit from proximity to aviation infrastructure, as general industrial development that does not require airport access is better suited to existing industrial lands within the partner municipalities.

The proposed development concept identifies several potential uses that could be accommodated on airport lands, listed below

1. Aerospace & Advanced Manufacturing

Light to medium manufacturing tied to aviation, transportation, or advanced materials.

- Aircraft components and assemblies
- Precision machining and composites
- UAV / drone manufacturing
- Robotics, sensors, and electronics manufacturing

2. Aircraft Maintenance, Repair & Overhaul (MRO)

- Fixed-wing and rotary aircraft maintenance
- Engine repair and component testing
- Interior retrofitting and avionics installation

3. Aviation Training & Simulation Facilities

- Flight schools and pilot training
- Aircraft mechanic and technician schools
- Simulator-based training centres (aviation, emergency services, military contractors)

4. Uncrewed Aerial Systems (Drone) Operations & R&D

- Drone manufacturing, testing, and calibration
- Surveying, mapping, and environmental monitoring firms
- Beyond-visual-line-of-sight (BVLOS) testing corridors

5. Logistics, Cargo & Time-Sensitive Distribution

- Air-enabled logistics and freight forwarding
- Cold-chain storage (food, medical, pharmaceuticals)
- Just-in-time manufacturing distribution hubs

6. Defence, Emergency & Public Safety Services

- Air ambulance bases
- Search and rescue staging
- Wildfire response, aerial firefighting support
- Police and border service aviation units

7. Clean Technology & Sustainable Aviation

- Sustainable aviation fuel (SAF) blending or research
- Hydrogen or electric propulsion R&D
- Battery systems and energy storage manufacturing

8. Aviation-Adjacent Industrial & Business Parks

- Industrial uses that benefit from airport adjacency but are not flight-dependent
- Automotive, marine, rail, or heavy-equipment manufacturing
- High-tech assembly and testing facilities

9. Business Incubators & Innovation Campuses

- Aerospace and advanced manufacturing incubators
- University / college research partnerships
- Applied R&D labs and testing facilities
- Why it fits: Converts airports into innovation districts rather than single-use infrastructure.

10. Hospitality, Commercial & Conference Uses (Controlled)

- Airport hotels and crew accommodations
- Conference centres tied to training and industry events
- Food services and limited commercial retail

Regional Economic Benefits

Development of the airport lands presents an opportunity to strengthen the region's economic base while enhancing the value of the airport. Aviation and aerospace-related businesses have

the potential to generate skilled employment opportunities and support regional supply chains in manufacturing, technology, and logistics. Tourism and hospitality-related uses can also enhance access to the region for visitors, business travel, and events. As a shared regional asset supported by multiple municipalities, successful development of the airport will contribute to increased investment, job creation, and expanded tax assessment across the region.

Next Steps

Following endorsement of the development concept, Economic Development staff will continue to work with the Airport Commission and airport staff to further refine infrastructure requirements, develop cost estimates for servicing and infrastructure improvements.

Once servicing requirements are better understood and costed, staff will work with the Province of Ontario and other government partners to identify potential funding opportunities to support required infrastructure and investment attraction initiatives. Establishing a clear development vision and planning framework is an important step in positioning the airport to attract private sector investment and secure government support for future development.