

April 25, 2012

Ms Dawn McAlpine, City Clerk
Corporation of the City of Barrie
70 Collier Street, PO Box 400
Barrie, Ontario
L4M 4T5

Mr. Doug Irwin, Township Clerk
Corporation of the Township of Oro-Medonte
PO Box 100
Oro, Ontario
L0L 2X0

Dear Clerks:

**Re: Lake Simcoe Regional Airport
Commercial Development Strategy and Land Use Plan**

During the April 24, 2012 Lake Simcoe Regional Airport Board of Directors meeting, the following was discussed:

- A. The Lake Simcoe Regional Airport Inc. ("LSRA") strategic plan includes a commercial development strategy and land use plan;
- B. In order to effectively and efficiently implement that strategic plan, it is desirable for the LSRA to have authority to finalize transactions without the precondition of obtaining formal approval from each of its shareholders, The Corporation of the City of Barrie and the Corporation of the Township of Oro Medonte (the "Shareholders").

In consideration of these discussion points, the following resolution was passed at the same meeting by Motion **2012-ABOD-07**.

BE IT RESOLVED THAT, THE LSRA REQUESTS THAT:

1. The Corporation of the City of Barrie, as the holder of title of the airport lands, in trust, authorizes the City Clerk and Mayor to execute leases upon the recommendation of the Board of the LSRA.
2. The Shareholders of the LSRA amend the Lake Simcoe Regional Airport Agreement dated May 13, 2010 by deleting clause Section 5.11 and replacing it with the following:

In the interest of generating revenue, the Corporation may enter into leases with respect to any portion of the Airport lands without the consent of the Shareholders as follows:

- A) The City of Barrie, as registered owner of the Airport lands, in trust, has delegated to its Mayor and City Clerk the authority to enter into leases for "airport related" purposes of the Airport lands on the recommendation of the Board of the Corporation. The Corporation shall send to the City Clerk of Barrie: (a) a copy of the Board's resolution recommending execution of such lease(s); and (b) a copy of such lease(s), so that the City Clerk may arrange for execution of such lease(s). A copy of this material shall concurrently be provided to the Clerk of Oro-Medonte by the Board for information purposes.
- B) The Corporation is authorized to enter into leases for non "airport related" purposes, for a period not to exceed twenty-one (21) years less one (1) day.

The Parties agree that the proceeds from any such lease shall remain with the Corporation to be applied against the annual operating, maintenance and improvement costs of the Corporation. Such lease proceeds will be accounted for in the annual budget.

The Board shall report to its Shareholders within 45 days of entering into a lease with details of the completed transaction.

"Airport Related" means (i) all flight operations, and users of flight operations, at the Airport and (ii) all services that are located at or near the Airport that have as their primary business purpose, the provision of those services for Airport purposes.

Notwithstanding the definition of "Airport Related", the Board of Directors of the Corporation shall determine, on a case by case basis, whether an actual service or proposed service, is "Airport Related".

The foregoing information is provided for Shareholder consideration and approval. The Board of the LSRA requests that:

- i) The City of Barrie pass the resolutions required to implement points 1 and 2, as outlined above; and,
ii) The Township of Oro-Medonte pass the resolution required to implement point 2, as outlined above.

Should you have any questions, please do not hesitate to contact the undersigned at (705) 487-0999.

Sincerely,
Lake Simcoe Regional Airport



Michael J. Drumm
Airport Manager

cc Lake Simcoe Regional Airport Inc. Board of Directors