To: Airport Advisory Committee

From: Matthew J Kulhanek, Airport Manager

Date: January 13, 2023

RE: Agriculture Activity at the Ann Arbor Airport

Overview: For decades, the Ann Arbor Airport has utilized excess tillable acres at the airport for agricultural purposes. The effort has added local food production, provided visual and sound deterrents for neighbors, generated revenue for the airport, and reduced the expense of maintaining unattended acreage. The primary drawback for airport agriculture has been in increasing a wildlife attractant near airport operations area (potential safety concern) and the infrequent creation of dust and agriculture detritus typically experienced during harvest time. The airport currently leases around 180 acres to a local farmer for tilling. The airport operations area is surrounded by a fence with about 70 tillable acres outside the fence and 110 tillable acres (3 distinct fields) inside the fence. See attached map.

Concerns: Reducing the wildlife attractant at the airport was identified in a recent Wildlife Hazard Assessment completed by the USDA. Wildlife strikes at the airport are very rare, but they do happen occasionally. Since 1990, there have been 5 reported deer strikes and 15 reported bird strikes at the airport. Reducing wildlife in the area should has a positive impact on the safety of airport operations. A concern raised by tenants from time to time is related to harvest time. During harvest, with the wind blowing in the right direction, tenants have complained about dust and crop detritus blowing into hangars and other operation areas.

Financial Impacts: Agricultural activity at the airport generates \$8,240 in revenue annually through the ag lease. We have approximately 80 additional untillable acres that we currently brush hog mow to maintain the property. Based on our target of two mowing's per year, we spend about \$3,000 annually to maintain these untillable acres. The same local farmer has provided us a discounted rate to brush hog mow these untillable acres. Any change in financial impact would have to be revenue neutral for the airport budget and would likely be offset through a t-hangar rent increase. A 1% increase in t-hangar rent generates approximately \$5,000 in additional revenue per year.

Possible Options:

- 1) No Ag Use Change This maintains the status quo, does not address the concerns, and has no net financial change to the airport budget.
- 2) Eliminate Ag Use Inside the Fence (Partial) The change would eliminate agricultural activity on fields #1 and #2 which are closest to the airport operations area. This would remove approximately 80 tillable acres inside the fence, moving the wildlife attractant farther away from the runways but not completely outside the fence. This option would reduce ag revenue by \$3,100 and increase mowing costs by \$3,000 for a total impact on the budget of \$6,100 (1.25% t-hangar increase).
- 3) Eliminate Ag Use Inside the Fence (Full) The change would eliminate all agricultural activity inside the fence, fields #1, #2 and #3. This would remove approximately 115 tillable acres inside the fence, eliminating the wildlife attractant in the airport operations area. This option would

- reduce ag revenue by \$4,800 and increase mowing costs by \$4,300 for a total impact on the budget of \$9,100 (1.85% t-hangar increase).
- 4) Eliminate All Ag Use at the Airport This change would eliminate all agricultural production at the airport, both inside and outside the fence. It would increase our brush hog mowing requirements by approximately 180 acres. This option would eliminate \$8,240 in ag revenue and increase the mowing cost by at least \$6,760 for a total impact on the budget of at least \$15,000 (3% t-hangar increase). The mowing cost would need to be verified as the discounted rate provided by our active farmer would no longer be valid.

General Comments:

- Any change would not impact the 2023 growing season as the City has already committed to the full acreage being tilled and the lease fee has already been paid. Any changes would be implemented for the 2024 growing season.
- The current local farmer has agreed to till smaller acreage at the same revenue per acre if the aguse is reduced.
- Any resulting t-hangar rate increases due to ag use changes will be on top of an already anticipated t-hangar rate increase effective July 1, 2023.
- Removing crops from any area of the airport will reduce, but not eliminate, the draw for wildlife at the airport. Other methods of wildlife control have always been performed at the airport and will continue to happen based on wildlife activity levels.

