

June 17, 2025

TO: Boyne City Commission
FROM: Airport Advisory Board
SUBJECT: Issues that need to be addressed at Boyne City Municipal Airport

In recent years, the Airport Advisory Board has grown increasingly concerned that Boyne City no longer fully recognizes the value of the municipal airport to the community. Specifically, the Board feels its' recommendations are not being taken seriously by city leadership.

History of the Boyne City Municipal Airport

Boyne City Municipal Airport was established shortly after World War II on land deeded to the city by the State of Michigan for the purpose of airport development. Initially, just a turf airstrip, the airport gradually expanded through private investment and state grants. Notably, over 80% of the cost of the current runway and major taxiway was funded by Michigan Aeronautics Commission.

The existing terminal building was constructed with a combination of Michigan Aeronautics funds and private donations. Every hangar on the field was privately financed, and the owners were provided with 25-year leases in return for their investment. The leases—covering all T-hangars and some individual hangars—have now expired. For the past decade, rents paid by hangar owners have become a significant revenue stream for the city.

The airport is a vital component of Boyne City's infrastructure. It supports local businesses, attracts new investment, and hosts a variety of aviation-related services, including a flight school with three certified instructors and a light aircraft maintenance facility. The airport also serves as a gateway for recreational visitors and hosts community events such as Labor Day drag races and Young Eagles flights, which introduce young people to aviation.

Hangar Rental Rate Increase

Historically, changes to hangar rental rates have been based on recommendations from the Airport Advisory Board and City Commission has adopted the suggested adjustments. In the past three years, the board recommended increases of 2.3%, 11.6%, and 4.1%, respectively. This year the board advised no change in rates. In spite of this, City Commission unilaterally imposed a 30% rental rate hike. This was never discussed with the Airport Advisory Board. For example, with the new rate a T-hanger is \$325/month.

Note: There is also a \$10/month fee if you pay monthly rather than an annual lump sum. It used to be that if you paid for the full year, you would receive two months' rent at no charge.

This significant and unexpected increase has made Boyne City's airport an outlier among neighboring airports. Current T-hangar rental rates at nearby facilities are as follows:

- Charlevoix: \$260/month
- Cheboygan: \$140–\$192/month (based on hangar size)
- Grayling: \$125/month

- Pellston: \$260/month
- Harbor Springs: \$300/month
- Gaylord: \$300/month

Note: East Jordan and Antrim County airports do not offer T-hangars.

It is worth noting that all these airports have far superior facilities and are staffed during daytime hours.

The question is: “What do we get for our rent?”

Snow Removal Policy Changes in Lease Agreements

At all surrounding airports, snow removal up to the hangar door is provided as a standard service. Boyne City has followed the same practice in recent years. However, the new lease agreements now require hangar tenants to handle snow removal from their doors to the taxiway—representing a significant service reduction and burden for tenants.

Airport Obstruction Issues

Three years ago, during an inspection, the Michigan Aeronautics Commission identified trees obstructing the airport’s approach paths. These trees pose safety risks and must be removed for the airport to maintain its license and remain eligible for grant funding. While clearing land for a new community garden will address some of these obstructions, about half of the obstructions remain. To date, no action has been taken to remove them. Most of these trees are located within city road rights-of-way, and a few are on private property. State law requires that these obstructions be cleared on public and private land.

T-Hangar Taxiway Reconstruction

Sections of the taxiways servicing both individual and T-hangars were constructed 40 years ago and are now beyond repair. These surfaces are deteriorating to the point where patching is no longer effective, and complete reconstruction is necessary. It is a significant safety issue to aircraft using the taxiways.