

MEMORANDUM



DATE: May 9, 2019
TO: House Appropriations Subcommittee on Transportation
FROM: William E. Hamilton, Senior Fiscal Analyst
RE: MDOT-Owned Airports

According to Michigan Department of Transportation (MDOT), Office of Aeronautics personnel, MDOT owns three paved-runway general aviation airports:

Romeo State Airport (Macomb County)

MDOT acquired the Romeo airport on November 11, 1998 from a private owner in order to preserve it as a public-use airport. The department indicates that at the time there were no other purchasers willing to retain the property as an airport. At that time, a number of small general aviation airports in the state had been subdivided and converted to other uses. The Romeo airport is the only publically owned public-use general aviation airport in Macomb County.

The purchase price in 1998 was \$5.1 million, using a combination of federal and state funding. [The department indicates that federal grants provided most of the funding.]

In the first year of MDOT ownership, the department contracted with Western Michigan University (WMU) to operate the airport. A one-time \$165,000 appropriation in the FY 1999-2000 transportation budget established WMU's airport management program at this airport. However, WMU moved its airport management program from the Romeo airport. The department subsequently contracted operation of the airport to a private operator.

The department has indicated that it would like to turn the facility over to local ownership. The department and the Macomb County Board of Commissioners jointly funded a study to determine issues and opportunities related to county ownership of the airport. While the county remains interested in eventual ownership, the existing contract limits the feasibility of this occurring in the remaining 7-year term of the contract. Discussions continue between MDOT and the county on potential avenues to transition ownership to the county.

Plymouth-Canton-Mettetal Airport (Western Wayne County)

The Plymouth-Canton-Mettetal Airport was a privately owned airport which was about to be sold and converted to other uses when the department acquired it. MDOT sources indicate the airport was acquired in 1995 for \$4.1 million using a combination of federal and state funding – the majority being federal funds. The department has always contracted out the actual operation of the airport. Currently, the airport is operated by a competitively bid airport management contractor that maintains day-to-day operation with MDOT oversight. MDOT remains engaged with local governments to discuss avenues to transition ownership from MDOT.

Linden Airport (Genesee County)

The Linden Airport was also a privately owned airport under threat of sale when purchased by the department in 2001 for \$1.0 million using all state funding. The airport is operated under contract between the department and the adjacent Airpark Landowners Association.

Summary

All three MDOT-owned airports described above are operationally self-sufficient. The department does not provide operating assistance. **Two of the three (the Romeo State Airport and the Plymouth-Canton-Mettetal Airport)** are eligible for capital airport improvement grants in the same manner as other public use airports in the state based on their airport classification in the State Aviation System Plan and federal National Plan for Integration Airport Systems.

MDOT employees are generally not involved in the day-to-day operation of these airports; historically, all three have been operated under contract with external parties. The department does not necessarily want to retain ownership of any of these airports and would like a local public agency to assume ownership. At the same time, the department is committed to keeping these airports as functioning public use airports.

Note: In addition to these three paved-runway airports, the department also owns the **Houghton Lake State Airport**. This is a limited use turf runway airport with no services. The airport is managed under contract with Roscommon Township. The township bears all the costs of maintenance and operation. The department has discussed transfer of ownership with the Township.

c: Mary Ann Cleary, Director
Ben Gielczyk, Associate Director