



Subject: Surplus Land Declaration – Airport Prouse Road Lands

Report Number: EDM 26-009

Department: Economic Development Department

Submitted by: Cephas Panschow, Development Commissioner

Meeting Type: Council Meeting

Meeting Date: Monday, April 27, 2026

RECOMMENDATION

- A. THAT report titled EDM 26-009 Surplus Land Declaration – Airport Prouse Road Lands be received; and,
- B. THAT approximately 50 acres of land, described as part of Lot 6, Concession 7, Township of Dereham, Municipality of South-West Oxford, be declared surplus to the needs of the Town of Tillsonburg in accordance with Bylaw 2021-031 (land disposition) including notification to the public; and,
- C. That the Development Commissioner be authorized to negotiate an Agreement of Purchase and Sale for these lands and bring back to Council for approval.

BACKGROUND

The potential to sell lands not required for the operation and growth of the Tillsonburg Regional Airport has been a business plan objective for a number of years, but has not progressed significantly due to a number of other strategic considerations. With changing conditions, Town staff are now ready to move forward with seeking approval to declare these lands surplus and sell them.

DISCUSSION

The Tillsonburg Regional Airport is comprised of approximately 633 acres of land, of which 222 acres are required for Airport operations and 411 acres are ancillary to Airport Operations. It is important to note that the 411 acres include lands that, while not part of the airport's operational areas, are increasingly important for Airport's current and future growth opportunities. The lands being proposed for surplus offer one of the best opportunities for land sales within the airport property.

In 1993, the Town of Tillsonburg acquired a 25-acre woodlot property East of the main runway in order to start planning for runway approach improvements and potential future runway extension (the latter of which took place in 2009/10 with funding from the Federal Government). As part of the agreement the Town agreed to enter into a lease type arrangement with the vendor of the woodlot lands for the approximately 50-acre parcel of land located along Prouse Road at the Northwest corner of the Airport Property (see Figure 1). The Vendor of the woodlot property has been paying the market rate for the lands and they have been farming the land since 1993. In addition to paying rent, the tenant has made investments into the lands, including systematically tilling the field to improve drainage, clearing tree lines and rocks, and adding organic matter over the years.

Figure 1 – Subject Property



Based on the longstanding arrangement between the Town and the tenants, the intention is to offer the property, if declared surplus, to the current tenant and to bring back a suitable Offer to Purchase for consideration by Town Council.

CONSULTATION

The following comments have been received as part of the consultation undertaken with respect to the proposed surplus of these lands.

Department	Comment	Response/Reason
Building and Bylaw	No comments	
Engineering	Ensure that any lands declared surplus are outside of the Airport Operational Zone	Agreed
Finance Department	The Town currently receives annual lease revenue of \$19,480. The rent fluctuates based on the most recent tender prices for the remaining 347 acres of farmland at the airport.	Annual lease revenues received by the airport would be foregone for the sale proceeds needed to fund the airport capital projects.
Fire Department	No questions or concerns	
Planning	If the intent is to sell the lands for agricultural purposes, the Town should consider submitting a zone change application to rezone the lands to A2 to permit the full range of agricultural uses on the lands, and to recognize the reduced lot area of 50 acres, where 74.1 is required.	In discussions with Planning, they are willing to note these issues and provide to South-West Oxford for consideration as part of any future Zoning Bylaw Update.
Public Works	No response received	
Recreation, Culture & Parks	No response received	
Tillsonburg Hydro Inc	The lands in question are serviced by Hydro One, with private assets owned by the Town of Tillsonburg.	

Notice of the potential surplus property has been provided in accordance with Bylaw 2021-031, and specifically, by:

EDM 26-009 Surplus Lands Declaration – Airport Prouse Road Lands

- Posting a notice on the Town’s website (April 14, 2026); and,
- Posting a notice on the property (April 14 2026);
- Publishing a notice in the Tillsonburg News.

FINANCIAL IMPACT/FUNDING SOURCE

The financial impact of selling these lands would be to generate significant net revenues to the Town, which are required to be designated towards Airport projects and are anticipated to be used to fund items within the 10 Year Airport Capital Budget as approved by Town Council.

The surplusing and sale of these lands would result in the loss of annual lease revenue, which would reduce revenue with the Airport Operating Budget.

CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal – Tillsonburg residents and businesses will be connected to each other, regional networks, and the world through effective traditional and digital infrastructure.

Strategic Direction – Leverage the municipal airport more effectively to increase access, visibility and business activity in Tillsonburg.

Priority Project – *Immediate Term* – Airport Master Plan and implementation

ATTACHMENTS

Appendix A – Draft Reference Plan

Appendix A – Draft Reference Plan

