

**Toronto
Port
Authority**



**Administration
Portuaire
de Toronto**

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March 24, 2014

Mr. John Campbell
President & CEO
Waterfront Toronto
20 Bay Street, Suite 1310
Toronto, ON M5J 2N8

- and -

Mr. Mark Wilson
Chairman
Waterfront Toronto
20 Bay Street, Suite 1310
Toronto, ON M5J 2N8

Dear Mr. Campbell and Mr. Wilson:

I read with interest your commentary regarding the Toronto waterfront and the Billy Bishop Toronto City Airport in the *Toronto Star* earlier this week. The position and concerns of Waterfront Toronto are well communicated in this commentary and many of the points raised are consistent with the public position of the Toronto Port Authority (TPA) regarding the Porter proposal.

As you know, the TPA would be pleased to brief you on our analysis to date and the facts underpinning any and all matters of mutual interest. Indeed, on more than one occasion, the TPA has offered Waterfront Toronto a briefing on our work with City staff and to afford you and your team the opportunity to ask any questions regarding the detailed work that has been done in support of city staff's efforts. To date, Waterfront Toronto has not availed itself of this standing offer. I am pleased to reiterate this offer. It would certainly be more effective to share our work with you, and to have a productive dialogue on the issues, rather than responding to concerns you've expressed first via the media.

As we have stated on numerous occasions, when it comes to the debate over Porter's proposal to introduce new-technology jet aircraft, the TPA is guided by a "Do No Harm" approach. Should Toronto City Council approve some form of Porter's proposal, the TPA would ensure that any changes to the utilization of the airport are in balance with the uses and enjoyment of the waterfront by all constituent groups: residents, businesses, visitors and travellers. The tests the TPA would apply to Porter's proposal – should City Council approve the project – were presented at the Toronto Board of Trade (TRBOT) on October 21, 2013, and have subsequently

formed the framework for all TPA activity in this area. I have appended the key points of that TRBOT presentation to this letter for your information; I believe it reflects many of the considerations of your op-ed commentary.

Waterfront Toronto, backed by the financial support and strategic direction of the Federal, Provincial and Municipal governments, is indeed at the heart of an exciting multi-decade transformation of the waterfront as a vibrant mixed-use community. The TPA is aligned with the agency's vision and mandate for the waterfront and it is our role to ensure that the airport's operations fit into, and not dominate, Toronto's waterfront.

This is precisely the reason why, should a positive decision be rendered by City Council on April 1, 2014, the TPA will ensure the community's needs are being met. In February of this year, we tabled a series of suggestions that could be utilized, or steps that should/could be taken to that end, including:

- Completion of a full environmental assessment, complete with a robust public consultation process;
- Caps on hourly commercial flights;
- Caps on local commercial passenger flow;
- Additional noise mitigation structures (beyond those already in place), including a "run-up" barrier/housing;
- Increased use of shuttle and transit services; and
- Improved vehicle traffic flows.

The idea of voluntarily capping hourly flights or annual passenger figures while city infrastructure is improved to accommodate growth that is underway across the area is almost unheard of at any major North American airport. It speaks to our conviction that this proposal, should it be approved by Councillors, must "Do No Harm".

As part of the process we are all undertaking to determine how, and if, changes at Billy Bishop Airport should be made, it is essential that accurate information is made available to our collective stakeholders. It is with this in mind that I would like to address several of the points that you made in the published commentary, and provide you with the correct information. My hope is that, as you continue to participate in the public discourse surrounding this issue, you do so within an informed and accurate framework.

At the same time, we stand ready to receive whatever technical analysis your team has done on the issues at hand so that we can include that work in our own short- and long-term planning efforts.

1. Traffic Congestion

Fact: There are several contributing factors to traffic congestions at Eireann Quay and its environs.

Traffic in the area of Eireann Quay is as a result of many factors including new business and residential/condominium development in the area. This has accounted for a significant increase in the area's residential population and, naturally, is associated with increased car traffic. According to the City's own consultants' report¹ on the issue, the area has seen a doubling of growth to 29,905 residents in the five years leading to 2011. Add to that nearly 24,000 people working in 479 businesses and organizations. Still to come are 47 buildings currently in development application, 82% of which are residential (the tallest at 88 storeys), which will bring a further 22,258 new residents to the area once occupied.

Taken together, the introduction of more than 37,000 new residents to the neighbourhood, with no additional road improvements or transit routes, surely has some bearing on congestion when compared to an average of ~5,300 daily Billy Bishop Airport local passengers using these same transportation nodes.

We presume this new business and residential/condominium development has taken place, not to mention what is currently being planned, is within the context of Waterfront Toronto's vision for a revitalized mixed use community. And that you have considered the infrastructure needs that come with these 37,000 new and planned area residents plus the 24,000 people working in the area.

Further, the November 21, 2013, City staff report noted that the close proximity of the Eireann Quay neighbourhood to several sporting, entertainment, and event venues further compounded the issue of inadequate city infrastructure improvements to address this rapid growth. If the airport hadn't been built in 1939, these sporting, entertainment, and event venues would still be causing congestion for the 29,905 current area residents and 24,000 workers, who have yet to see appropriate upgrades to their local transportation infrastructure to reflect the years of impressive residential and commercial development north of Billy Bishop Airport.

We must agree that the airport is but one contributor to the traffic congestion, and it is important to acknowledge that there are other factors affecting traffic in the area, which have been decisions taken by Waterfront Toronto, not the TPA, such as closing down two of the four Queen's Quay traffic lanes for the better part of the past two years. This is a major artery, the loss of which has exacerbated the lack of improvements elsewhere in the road infrastructure network.

Moreover, according to publicly available budget documents, there appears to be no funding set aside within the City's own capital budget to address the growing traffic and congestion in the

¹ Urban Strategies, "Preliminary Land Use Valuation" August 27, 2013, sections 3.4/3.5.

area that was identified by the City's own consultants' having resulted from neighbourhood growth, nor the 47 new buildings that have been approved for construction in the area.

As a result of the transportation challenges outlined in the November 21, 2013, City staff report, the TPA stepped forward and initiated a request of the Federal and Provincial governments for new and incremental government infrastructure funding in conjunction with road access to Billy Bishop Airport. These upgrades would provide improvements that would be to everyone's benefit – not just airport passengers. In an announcement at the Toronto Region Board of Trade on March 18, 2014, Transport Minister Lisa Raitt spoke of a new component of the revitalized Building Canada Fund, the national infrastructure program, that has been designed to fund projects of "national" importance. These "national" projects do not, as I understand it, draw funding away from local priorities, and may well be a perfect fit for the TPA's city-side infrastructure funding request.

It is in the best interest of all groups to work together to identify and enact solutions that will alleviate the congestion. We are unaware of any significant transportation infrastructure improvements that Waterfront Toronto and/or the City have planned to ease the congestion that flows from all of the recent and planned residential construction in the area, though we would enthusiastically support such efforts.

2. Passenger Numbers

Fact: BBTCA will not double passenger numbers. TPA has offered to implement and enforce an interim annual cap of 2.976 million BBTCA local passengers until infrastructure improvements can be made to address traffic and congestion.

The BBTCA's June 2012 master plan, prepared by WSP/Genivar and submitted to the City last year, indicated a mature capacity for the airport would be 3.6 million annual passengers. In a scenario where the jet ban is lifted, independent aviation consultants WSP/Genivar have indicated that a limited annual passenger scenario of 4.1 million can be achieved over time under the TPA's current "managed growth" policy, of which 2.976 million would be originating/terminating passengers which could be seen to affect local traffic.

The figure of 4.8 million passengers you reference from a City consultant's report has since been discredited in subsequent review as it was based on peak hourly flight volumes and load factors considered unrealistic and unachievable. Research and reports² by WSP, which put forth more realistic passenger numbers, have since been filed with the City and are available on the City website. Again, this information was readily available to Waterfront Toronto and the general public on both the TPA and City websites.

Given concerns about existing area congestion, the TPA offered last December to implement interim caps in the event the Porter proposal is approved, until such time as infrastructure improvements can be made to address airport-related traffic congestion and access. This makes sense, and would include:

² January 10, 2014: Strategic Vision for Peak Hour Passenger Forecast
February 14, 2014: BBTCA Assessment of the Potential for a Voluntary Interim Passenger Cap

- an interim hourly cap of 20 commercial carrier slots per hour to mitigate any adverse impacts on local vehicle traffic which may be attributable to peak-hour commercial aviation activity; and
- implement and enforce an interim annual cap of 2.976 million BBTCA local passengers.

These steps have been offered (should Council approve the Porter proposal) to ensure the scale and size of the airport does not overwhelm the groundside infrastructure. They were not made “in haste,” as your letter references, but rather come as the result of months of diligent and constructive work by independent aviation experts and City staff.

As a “Government Business Enterprise,” which is by law required to be financially self-sustainable, we are able to respond to issues on a business timeline. As you know, we do not have the luxury of several decades to consider these matters, nor is such an extended timeline required in our view. This is how effective agencies operate, as you saw with our PPP-financed pedestrian tunnel project: we began construction of the pedestrian tunnel in March 2012, less than one year after plan conception, a project which was first announced by government in 1935. It is a complicated undertaking, and when it’s completed this coming winter it will be the longest underwater tunnel of its kind in the world, and provide an extraordinary new world class gateway to Toronto.

It will also come at no expense to the taxpayer.

III. Comparison to Ottawa International Airport

Fact: BBTCA is working to manage its size and limit its growth so the airport can continue to achieve balance as part of a mixed-use waterfront.

The comparison with Ottawa International Airport you make is frequently invoked during debate over changes to the Billy Bishop Airport, including by those who seek to close the airport completely.³ The argument is that Toronto cannot accommodate an airport the size of Ottawa’s on its waterfront. We agree on this point.

Billy Bishop Airport is not looking to double in size (physically nor business-wise) and has no aspirations to become an operation on the scale of Ottawa International. In fact, while almost every other airport in the world is working to grow bigger, Billy Bishop Airport is working to manage its size and limit its growth so the airport can continue to achieve balance as part of a mixed-use waterfront.

We need to retire this comparison once and for all as it is irrelevant and misleading. Ottawa’s Master Plan sees it growing to 7.66 million passengers; Billy Bishop’s natural ceiling is approximately half that figure⁴, and our percentage of connecting passengers is 70% higher than that of Ottawa’s. This refers to passengers who are travelling from, say, Timmins to Chicago,

³ <http://www.680news.com/2013/11/28/city-urged-to-delay-porter-airlines-expansion-decision-report/>

⁴ BBTCA Draft Master Plan, WSP/Genivar, June 2012

and therefore never leave our terminal to utilize City of Toronto infrastructure. I have included a chart below that provides a comparison of the two airports that should provide additional context that discredits this argument:

BBTCA vs. Ottawa International – Comparison

Item	BBTCA	Ottawa International
Total Property	215 acres	4,500 acres
Curfew	11:00pm to 6:45am	Open 24 hours a day
Airport Terminal	155,000 square feet	660,000 square feet
NEF	NEF 25 restrictive	NEF 30
Runways	1 at 3,988 feet	3 with longest at 10,000 feet
Parking Spots	500 approx./ static	4,000 approx./ growth
Gates	10	27-35
Aircraft Slots Per Hour	16 Potential of 24	Up to 98
Passenger Volumes	2.4 million (3.6m in Master Plan)	4.7 million (7.66m in Master Plan)
Passenger Connection Rate	17%	10%
Airlines	2	15
Largest Aircraft	Q400 – 70/74 seats	A330 – 265 seats
Aircraft Noise Certification:	Required	Not required

The TPA supports Waterfront Toronto’s overarching concern for scale and balance. In fact, we believe that mirrors how we are proceeding on this topic. We are working with the City on a daily basis, we are involved in ongoing public consultation, and we are conducting analysis and research to determine a path that, should City Council approve the proposal, will ensure that the project is considered in a cautious and informed manner; one which will be without harm to the waterfront and without negative impact on everyone’s enjoyment of it.

Should this not be the case, we will not consent to the Porter proposal.

As the airport’s operator, the TPA recognizes that we have to get this right, the Porter proposal can “Do No Harm,” and we have to ensure that Toronto’s mixed-use waterfront continues to thrive. I trust this letter has provided the context and information that will enable a productive dialogue based on facts and consultation rather than myths and conjecture based on flawed information.

We remain available to brief you on our work with City staff on the proposal, should you wish to be better informed of the intensive effort that has gone into our contribution towards Mr. Livey's report in advance of your deputation to the Executive Committee at City Hall this week.

Sincerely,

TORONTO PORT AUTHORITY

A handwritten signature in dark ink, appearing to be 'G. Wilson', with a long horizontal flourish extending to the right.

Geoffrey A. Wilson
President and Chief Executive Officer

cc: The Hon. Lisa Raitt, P.C., M.P.
Minister of Transport

The Hon. Joe Oliver, P.C., M.P.
Minister of Finance

The Hon. Glen Murray, MPP
Minister of Transportation and Minister of Infrastructure

His Worship, Rob Ford, Mayor of Toronto

Norm Kelly, Deputy Mayor of Toronto

Members of City Council, City of Toronto

ADDENDUM TO LETTER
TPA's "Do No Harm" Approach

The role of the Toronto Port Authority in the debate over Porter's proposal to introduce new-technology jet aircraft at BBTCA is to adhere to a "Do No Harm" approach and ensure that any changes to the utilization of the airport are in balance with the uses and enjoyment of the waterfront by all constituent groups: residents, businesses, visitors and travellers.

This approach was presented at the Toronto Board of Trade on October 21, 2013, and has subsequently formed the framework for all TPA activity in this area. The key points to this approach include:

- **Maintaining the 1983 Noise Restrictions:** The TPA supports maintaining the current NEF 25 noise contour and the ICAO maximum noise certifications for every aircraft, which represents one of the strictest noise regimes globally and has been in place since 1983 for the benefit of every Torontonians.
- **Better Slot Utilization, not Necessarily More Flights:** The TPA would ensure that Porter's plan serves to improve utilization of the airport's existing commercial slots. We don't foresee a major expansion of the airport's current commercial flight activity levels.
- **No Negative Impact on the Environment:** The Porter Proposal must not have a negative impact on the air and water quality that Torontonians currently expect and enjoy and a full Environmental Assessment will be conducted to ensure this is the case. The fact that Billy Bishop has been powered by Bullfrog Power's green electricity since 2010, the first airport in Canada to take this step, speaks to the TPA's commitment in this area.
- **Every Bit as Livable for Our Neighbours:** Porter's Proposal must ensure that the area surrounding Billy Bishop is no less livable than any other multi-purpose neighbourhood in Toronto. The TPA has a strong historical commitment to environmental stewardship and we have implemented important measures so that all Torontonians can continue to enjoy our mixed-use waterfront. On a yearly basis, the TPA removes millions of pounds of debris from Toronto's inner harbour, keeping it clean, safe and navigable. And we recently spent \$1 million creating a fish habitat at Tommy Thompson Park. We've taken meaningful steps to reduce the effects of airport noise on our neighbours. This initiative includes the installation of the first of two acoustic barriers at the airport, a noise management office that follows international best practices, state-of-the-art flight-tracking technology and the publication of monthly noise reports on our website. We have two public committees to ensure active Stakeholder engagement. The input from these now 24 recently held public community sessions have led to substantial infrastructure improvements at the airport and along Eireann Quay to reduce noise and congestion. We are also investing in our community. The TPA is proud to support Harbourfront Centre's school visits program, for example, as well as the neighbourhood community centre's "Room 13 Project", which is a superb initiative that supports inner city youth through art education. It is essential that nothing in the Porter Proposal undercut these efforts.
- **Improving Vehicle Traffic Flows:** Traffic is a problem across Toronto, which has nothing to do with the success of Billy Bishop. We believe Eireann Quay is ripe for a solution to vehicle traffic as well as the additional traffic associated with Build Toronto's pending residential redevelopment of the Canada Malting site. We have seen some beautiful plans from potential developers that would fix the flow of traffic around the airport, while preserving the local school and community centre as part of a stunning residential redevelopment of the Canada Malting site. We support Build Toronto's Eireann Quay

Redevelopment Initiative, and are prepared to invest as well in this initiative to further improve access and traffic flows.

- **There Must Be A Business Case:** In 2009, for example, almost one million Canadians made the trek to Buffalo to catch a flight; this represents more outbound departures than Billy Bishop handled that year. Buffalo-Niagara International Airport is spending \$8 million to expand their parking lots, to deal with the fact that Canadian vehicles now represent 47% of the airport's long term parkers, up from 8% in 2002. We understand why Porter believes that Torontonians would rather fly out of Billy Bishop than drive to Buffalo to catch a 7:00 a.m. US Airways flight to Los Angeles. That said, there needs to be a business case, not just for Porter, but for the TPA as the agency charged with paying for all airport-related capital expenditures. The tunnel met that test and the Porter Proposal must as well.
- **Growing Toronto's Economy:** Porter's Proposal should improve upon the existing positive economic impact that the airport is already having on the Toronto region. Noted politician Janet Ecker has said of BBTCA: "Billy Bishop Toronto City Airport has become a world-class gateway for Toronto and Ontario for both business and leisure travellers – particularly for the financial services industry, one of Toronto's most important economic drivers." The Toronto Region Board of Trade has also come out in favour of the airport's economic benefits stating in a press release: "Permitting the use of commercial jet service at Billy Bishop Airport would enhance the airport's contribution to our region's economic vitality."
- **Aircraft Agnostic:** The TPA is open to any aircraft that meets the strict tests of the existing ICAO certified noise standards as required under the Tripartite Agreement. We don't have to pick between Bombardier and Boeing, per se. As it has for 30 years, the TPA will continue to prohibit aircraft that don't comply. Slot access is strictly controlled by the TPA. "Open Sky" treaty agreements do not provide or guarantee access nor prevent an airport operator from prohibiting noisy commercial aircraft, despite what some may say, as we've proven for decades.
- **Preserving Access for Recreational Boaters:** Should City Council approve Porter's Proposal, the TPA is determined that sailboats and other recreational users will experience no impact on the channel markers in our waterways. We will maintain the same high levels of harbour safety that we have today. And we see no scenario where the MEZ would have to materially change to preserve this safety zone.
- **Preserving Private Aviation Access:** Private business and hobbyist aviators must and will continue to have appropriate access to Billy Bishop. This is provided for in the Tripartite Agreement, and is not changing. While it is true that the airport has limited capacity, general aviation continues to be an important part of our heritage and operations. The BBTCA's June 2012 airport Master Plan provides for enhanced enjoyment of the facility. Of further note, we are working with a group of hobbyist fliers to enhance the utility of the airport for that segment of our customer base, restoring the original TCCA terminal building as the foundation of this initiative. An announcement on that front is pending.