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February 13, 2013

Mayor Rob Ford City of Toronto Toronto City Hall 100 Queen Street West, 2nd Floor Toronto, ON M5H 2N2

Your Worship:

Re: Billy Bishop Toronto City Airport

I write to you and your colleagues today on behalf of the Toronto Port Authority ("TPA") regarding various issues in relation to the Billy Bishop Toronto City Airport ("BBTCA").

A few weeks ago we had the pleasure of announcing, in partnership with the Toronto Board of Trade, the release of an economic study conducted by InterVISTAS Consulting Group, a leading management consulting company with extensive expertise in economic and transportation research. According to the study, the BBTCA is a major economic engine for the Greater Toronto Area, generating \$1.9 billion in annual economic output and 5,700 jobs, which includes 1,700 employed directly at the airport; it plays a "significant role in providing critical regional and continental transportation linkages to support and grow Toronto's economy."

The BBTCA is the fastest-growing airport in Canada, and has become its 9th busiest. 75% of our passengers are repeat business travellers. And 83% of Porter passengers are "very" or "extremely" satisfied, according to an Ipsos Business Travel Study.

Earlier this month, our Board of Directors was advised that your staff and ours had reached an agreement-in-principle regarding the quantum of Payments in Lieu of Taxes ("PILTs") that the TPA should pay to the City of Toronto (the "City") specifically in relation to the BBTCA. Although we had hoped to have this agreement concluded in September 2011, we are pleased that this day has arrived.

As you may know, the TPA had offered to pay the City the same per passenger PILT that is paid by Pearson Airport to its host municipality. Despite the fact that Pearson Airport

agreed to pay a high per passenger PILT in part due to the large volume of passenger-free cargo aircraft that utilize that airport (unlike the BBTCA which has no cargo traffic to speak of).

We also understand from City Staff that this agreement-in-principle on the BBTCA PILT will be tabled at an upcoming meeting of Toronto City Council for consideration and approval.

In that regard, there are a few other issues that you and your colleagues may also want to consider at that same meeting:

- 1. BBTCA signage on the Gardiner and Don Valley Parkway: As you will recall, the TPA changed the name of the airport to "Billy Bishop Toronto City Airport" in 2009. We are hopeful that the city's current roadway signage might be changed from its current "TCCA" to "Billy Bishop Toronto City Airport" to reflect the "new" name as we to continue to honour this great Canadian war hero and former Toronto resident. Many approaches to the BBTCA remain void of any signage whatsoever. Travellers need adequate signs in strategic locations to aid efficient traffic management. One current example: there is an airport wayfinding sign on Lakeshore Boulevard as you approach Bathurst Street from the West but not the East.
- 2. Lakeshore Boulevard West left turn lane: Since 2005, the BBTCA's destination and origin traffic has increased from approximately 25,000 passengers per annum to ~2 million. Although the City's Transportation Services department recently provided some relief for vehicle traffic in the area, there remains meaningful difficulty for westbound traffic to turn south onto Bathurst Street from Lakeshore Boulevard West. We recognize that a dedicated left turn lane may not be possible (as is seen at Dan Leckie Way to the east), but an advance green light would be a great start, for example, as only two cars (or one airport shuttle bus and one car) are able to get through each light cycle under the present configuration (and then, only during the "yellow" light portion of the sequence for several hours each day). Programming the lights to reflect the volume of airport passenger traffic throughout the day could be another consideration by your staff, along with other suggestions to achieve the same ends.
- 3. **Bathurst Street "no right on red" prohibition:** In 2012, Toronto and East York Community Council passed a series of motions restricting both turning and traffic lanes available, the immediate impact of which was to choke the traffic exiting the BBTCA northbound on Bathurst Street at Queen's Quay West. The new "no right on red" sign in the northbound lane has been of particular concern, and is one of the few such signs across the City. According to the Toronto Police Service ("TPS"), these new restrictions have increased congestion while not producing any enhanced pedestrian safety. This was made clear to the City by a TPS representative at the November 8, 2012 meeting regarding traffic movements around the BBTCA, attended by City staff, the TTC, and TPA. If the turning

restrictions were truly about managing safety for the school children and youth who use the community centre, and not choking access to the airport, the Community Council wouldn't have made it a 24-hour/day ban. There aren't any 8 year-old schoolchildren using that intersection at 10 p.m., for example. Toronto City Council may want to consider removing these signs, which restrict the "safe use and operation" of the BBTCA – as these new signs are not consistent with the City's obligations under the *Tripartite Agreement*.

- 4. Airport Lease 2033: As you know, under the terms of the 1983 Tripartite Agreement, the airport's lease expires in 2033. Over the past few years, major capital investments that have been made by Porter Airlines (in the form of the new passenger terminal) and the TPA (in the form of a new ferry system and the pedestrian tunnel project that we undertook with the support of a majority of Toronto City Council). According to a recent survey conducted by Ipsos Reid, 69 per cent of Torontonians "agree" that the airport is an "economic engine of the city". 83 per cent of those surveyed also "agree" that the BBTCA "is great for the economy of Toronto" including 85 per cent of those living downtown south of Queen Street. Given the deep support that our fellow citizens have for this revitalized airport, Toronto City Council may want to consider extending the airport's lease for a second 50 year period, to 2083.
- 5. **Airport Zoning:** We understand that, according to the City's current "Official Plan", the BBTCA is zoned as parkland. Given that the City is looking to receive PILTs from the airport, it seems appropriate that City Council may want to consider amending the Official Plan to reflect the reality that the BBTCA is a revenue-generating airport and not a park.
- 6. **Airport Footprint:** Under the terms of the *Tripartite Agreement*, the footprint of the BBTCA property cannot be expanded, whatever the reason might be. We understand that Transport Canada is considering making amendments to the current "Runway End Safety Area" ("RESA") regulations. These amendments, should they proceed, would require the TPA to extend the current BBTCA RESA areas a short distance into our existing waterlots. Given the importance of safety at BBTCA, Toronto City Council may want to consider amending the *Tripartite Agreement* to provide for changes to the airport's footprint and/or property boundaries "if required by federal aviation regulations or applicable law".
- 7. **Airport Curfew:** Under the terms of the *Tripartite Agreement*, the airport has a curfew of 11:00 p.m. for commercial, helicopter and general aviation traffic. As the operator of the BBTCA, we took action to manage this element of the agreement by applying an Airport Directive that assesses a fine in the event of any violation thereof. The curfew, however, impacts the economic benefit and reputation of Toronto's "city airport". There are times when, for weather or ground control reasons (at another airport), a commercial flight is delayed to such an extent that it would be scheduled to land following our 11:00 p.m. curfew. To satisfy the *Tripartite Agreement*, the commercial carrier is required to redirect that

aircraft to Pearson or Hamilton International Airports. Alternatively, should the plane land at the BBTCA even one minute later than 11:00 p.m., we are obliged to The BBTCA landing curfew rules applied by the Tripartite Agreement are, I'm told, the most strict of the 18 different destinations flown by Porter Airlines. Indeed, the BBTCA is among the most restricted airports in North America today. Over the past two plus years, the TPA has assessed fines for curfew violations on five occasions. The maximum deviation was six minutes and the average was a modest 2.7 minutes; the most recent fine we assessed was a \$10,000 fine on September 6, 2011. As you can see, with 36,865 available commercial landing slots each year, these late landings are rare events, but the diverted aircraft inflicts significant additional fuel burn on the environment and negatively impacts the travelling public. This undercuts the reputation of both the airport and the City. It is a normal and reasonable practice for an airport to operate with a small time buffer to accommodate exceptional circumstances. During former Mayor David Miller's tenure, we drafted a new curfew proposal that would provide some relief to this 11:00 p.m. landing rule; at the time, the concept had the support of his TPA Board appointee, Mr. David Gurin. Toronto City Council may want to consider amending the Tripartite Agreement to provide for a weather-related "shoulder period" to the 11:00 p.m. curfew as is the standard at other airports at major centres, including Pearson GTAA. We could provide language to that effect, if that would assist Council's deliberations.

Please accept our thanks for your ongoing support of the BBTCA. We hope that these items contribute to your discussion. And do not hesitate to contact us should you have any questions regarding this letter or the details therein.

Respectfully,

Mark McQueen Chairman

cc: The Honourable Denis Lebel, P.C. M.P.

Minister of Transport, Infrastructure and Communities and Minister of the Economic Development Agency of Canada for the Regions of Quebec

The Honourable Glen Murray, MPP Minister of Transportation

Councillor Frank Di Giorgio Budget Chief

Councillor Denzil Minnan-Wong
Chair, Public Works and Infrastructure Committee

Councillor Karen Stintz Chair, Toronto Transit Commission

Councillor Michael Thompson Chair, Economic Development Committee

Robert Deluce President and CEO, Porter Airlines

Calin Rovinescu President and CEO, Air Canada