

The Honourable Marc Garneau, P.C., M.P.
Minister of Transport
House of Commons
Ottawa, Ontario, K1A 0A6

October 30, 2018

Dear Minister Garneau:

In the spirit of other such communications that we have sent you in the past, the following is an update on key projects and files pertaining to PortsToronto and Billy Bishop Airport. The last few months have been busy for our organization and we are very proud of some key achievements, many of which are detailed below. We have also attached a copy of the Sustainability Report prepared specific to Billy Bishop Airport which highlights our efforts in the area of the environment and responsible business practices.

As always, we would like to acknowledge the support and counsel of the Transport Canada team in achieving many of these successes. We realize there have been changes within your department over the last few months and would welcome the opportunity to brief you and your team in person in the next few weeks. My office will call to make the arrangements. In the meantime, here are a few key updates for our organization over the last few months:

Completion of Three-Year Airfield Rehabilitation Project

PortsToronto is proud to report that we have successfully completed the three-year Airfield Rehabilitation Project at Billy Bishop Airport. The project effectively modernized all airfield infrastructure – much of which was built in the 1960s – and was completed ahead of schedule and on budget at a cost of \$35 million – paid by PortsToronto through our Airport Improvement Fee that was reduced on April 1, 2018. Specific areas addressed in the project included the reconstruction of all runways and taxiways, the installation of new energy-efficient LED lighting, and the construction of a Ground Run-up Enclosure (GRE) designed to dampen the noise associated with high-power aircraft engine ground run-up operations.

The project was also well-received by the community which we consulted at all stages of the project. The community has in turn communicated its appreciation for the measures employed by PortsToronto to mitigate the effects of noise and congestion during the overnight construction hours. These measures included the barging of materials and equipment across the harbour to eliminate some 6,000 industrial truck movements through the neighbourhood. Further, these measures were recognized by Airport Council International as being among the best noise mitigation programs in North America.

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PortsToronto owns and operates | PortsToronto possède et exploite :

BILLY BISHOP TORONTO CITY AIRPORT | AÉROPORT BILLY BISHOP DE TORONTO | PORT OF TORONTO | PORT DE TORONTO | OUTER HARBOUR MARINA | MARINA DE L'AVANT-PORT

Terminal Construction Completed

Over the last two years, passenger terminal owner Nieuport Aviation Infrastructure Partners has undertaken a construction project to increase the footprint of the passenger terminal at Billy Bishop Airport to modernize and improve lounges, introduce food and retail concessions, activate an 11th gate, and develop the physical framework for a preclearance facility at the airport. This work is now complete and passengers are reaping the benefit of more space, more seating and more amenities to make their travel experience even better.

U.S. Preclearance at Billy Bishop Airport

PortsToronto continues to work towards an agreement that would allow for the introduction of preclearance at Billy Bishop Airport. We have made some progress in the area of CBP staffing expense and cost recovery, however cost challenges remain, as they do additionally in the areas of baggage handling and mandatory policing. We hope to work through these remaining issues and become the first preclearance facility in Canada under the new LRMA. We are also aware of the broader concern that if this program is too costly for Billy Bishop Airport, it will not be implemented here, leaving it somewhat unlikely that any other facility could open under the new cost structure, which would disappoint the work of many on both sides of the border over the last several years.

Public Opinion Polling for Billy Bishop Airport

In August 2018, Environics Research was commissioned to conduct a public opinion poll of more than 1,200 Torontonians to gather feedback on the airport, its operations and its impact. The survey included an oversampling of the waterfront area (300 residents) given its proximity to the airport. We are very pleased with the results which indicate:

- Three-quarters (73%) of all respondents have a positive impression of Billy Bishop Airport. Only 8% have a negative opinion.
- Usage and positive opinion of Billy Bishop Airport is highest amongst those who live along the Waterfront.
- 97% of Billy Bishop Airport users have a positive opinion of the airport.
- 80% of respondents believe Billy Bishop Airport is a valuable asset to the City of Toronto and three-quarters (76%) of respondents believe the airport is an important driver for economic growth and job creation.
- 42% walk, bike, shuttle or use TTC to get to/from the airport. Incidentally, this number is validated by a modality study conducted by Dillon Consulting which measured actual access patterns.

This research comes on the heels of Billy Bishop Airport winning Airport Council International's Airport Service Quality Award for Best Airport in North America (2M+ passengers) at a ceremony in Halifax in September.

Master Plan for Billy Bishop Airport

Work continues on the 2018 Master Plan for Billy Bishop Airport. To date more than 60 meetings have been held with neighbourhood associations, community groups, first nations leaders, airport tenants and elected officials. Two public meetings have been held in the last eight months, with the third and final scheduled for later this year. The Master Plan will be published in early 2019.

Port Modernization Review

PortsToronto continues to be an active participant in the Ports Modernization Review and looks forward to submitting a written report representing PortsToronto's views. We applaud this initiative and are optimistic that the outcome will include measures and policies that ensure ports, and the government business agencies that administer them, can better innovate, collaborate and remain globally competitive and relevant to the communities they serve.

Board of Directors

We were pleased to welcome Ms. Hellen Siwanowicz and Mr. Don McIntyre to the Board of Directors earlier this fall. Both Ms. Siwanowicz and Mr. McIntyre have proven to be excellent board members and have quickly become familiar with many of our files and provided excellent counsel and insight. We look forward to the appointment of other board members in the coming months.

Sincerely,



Geoffrey Wilson
Chief Executive Officer



Robert Poirier
Chair of the Board

Cc: Marc Roy, Chief of Staff, Transport
Ashley Wright, Director of Policy and Parliamentary Affairs, Transport
Emilie Simard, Director of Communications, Transport
Jean Proulx, Policy Advisor, Transport