

**Toronto  
Port  
Authority**



**Administration  
Portuaire  
de Toronto**

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August 13, 2009

The Honourable George Smitherman, MPP  
Minister of Energy and Infrastructure  
Hearst Block, 4<sup>th</sup> Floor, 900 Bay Street  
Toronto, Ontario  
M7A 2E1

Dear Minister:

Re: Toronto City Centre Airport Pedestrian Tunnel Concept

I write to you today to follow-up on a June 2, 2009 letter regarding the concept of constructing a pedestrian tunnel between the mainland and the Toronto City Centre Airport ("TCCA").

I believe we have made headway with this concept in the weeks that have passed since my first letter. I can confirm that the Toronto Port Authority ("TPA") would be prepared to consider a modest, yet meaningful, multi-million contribution to the overall cost of the project. Although I cannot confirm federal funding has been secured at this point, I can advise that the application for stimulus funding has been made and the project appears to meet the necessary criteria.

I also wanted to bring to your attention other developments over the past two months. In early June, The Toronto Star published an editorial in support of the construction of a tunnel to the TCCA.

Also in June, the TPA reported that each of its lines of business was profitable on an operating basis, and that the TPA as a whole was profitable for fiscal 2008 on an audited basis.

If I may, I would also refer you to elements of two TPA press releases from the past week that are relevant to both the pedestrian tunnel concept and the future of the TPA itself.

### ***Majority of Torontonians Support Tunnel Concept***

An independent public opinion poll has found that 62% of Torontonians' surveyed support the construction of a pedestrian tunnel to improve access to the TCCA. These are among the results of an annual poll conducted for the TPA by the national public-opinion research firm Pollara Strategic Insights.

The 500-person survey was conducted July 6-7, 2009. In addition to probing opinions on the performance of the TPA, the survey touched on a wide variety of topics, including attitudes toward the revitalization of the Toronto waterfront, and the TCCA. Porter Airlines and several other aviation enterprises operate out of the TCCA.

According to the survey, 62% of respondents support the construction of a pedestrian tunnel. Only 21% of respondents are "strongly opposed" to the concept, while 10% are "somewhat opposed" to it.

As was reported by The Globe and Mail in an article dated August 7, 2009, Toronto Mayor David Miller takes the view that Torontonians – by electing him Mayor – have already spoken against the question of the construction of a tunnel to the TCCA, and that our proposal is inconsistent with the outcome of the 2003 election. In the article, the Mayor also cited the 1920s-era views of former Toronto Mayor Sam McBride and his then opposition to the concept of a tunnel to the TCCA.

As we all know, one of the election issues in 2003 involved the construction of a bridge and not an underground pedestrian tunnel. Simply put, I do not think the Mayor's depiction accurately reflects the reality of the then, or current, public mood.

- Mayor Miller received approximately 299,000 votes in 2003; the next four Mayoral candidates in that election supported the TCCA and received in excess of 368,000 votes in aggregate. As such, a clear majority of Torontonians actually voted in favour of the TCCA in 2003, well before the successful launch of Porter Airlines.
- For the first six months of 2009, over 315,000 passengers have used the TCCA; this number speaks volumes about public support for the TCCA; and
- It is curious that the Mayor has decided to reach back to the 1920s in search of moral support on this issue. This period in history was, to use a phrase, "a long time ago". For the Mayor to use that historical window to justify opposition to what the clear majority of Torontonians currently support is just not credible.

### ***Majority of Torontonians Oppose Devolution of TPA and TCCA to City***

In recent months, a handful of local and federal politicians have demanded that the TPA be abolished, with the City of Toronto taking over its duties, including the operation of the TCCA. According to the Pollara survey, a majority of Torontonians (58%) oppose the concept of devolution to the City. Only 14% of respondents "strongly supported" the idea, and 17% "somewhat supported" the idea.

The survey further probed Torontonians' attitudes toward the City of Toronto taking over the TPA and the TCCA by asking if they would be more supportive or opposed to this scenario if it meant removing Porter Airlines from the TCCA. Under that scenario, public opposition to devolution grew by a ratio of 4-to-1 against the devolution concept: 53% of Torontonians were more opposed to devolution, while only 12% were more supportive.

As you may be aware, the TPA, TCCA and tunnel concept have received positive response from all of Toronto's major print media outlets over the past few weeks.


I have also taken the liberty of including a copy of an August 11, 2009 letter from the Toronto Board of Trade supporting the tunnel concept. It is but one example of the positive feedback we've been received to date. I believe you have also received letters of support from members of Toronto City Council.

In light of the requirement that all federal infrastructure stimulus projects be "substantially completed" by March 2011, time is obviously of the essence. We would very much like to meet with you at the earliest opportunity. It appears to me that without a commitment of funding from the provincial government, this project is unlikely to proceed.

Thank you, in advance, for your consideration.

Respectfully,

TORONTO PORT AUTHORITY



Mark McQueen  
Chairman

Attachments

Letter from Carol Wilding, Toronto Board of Trade, August 11, 2009  
Press releases dated July 23, 2009; August 4, 2009; August 6, 2009



TORONTO  
BOARD OF TRADE

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August 11, 2009

The Honourable John Baird, PC, MP  
Minister of Transport, Infrastructure and Communities  
Transport Canada  
330 Sparks Street  
Ottawa, ON K1A 0N5

Dear Minister Baird:

On behalf of the Toronto Board of Trade, I am writing to you and to Minister Flaherty to express our enthusiastic support for the Toronto Port Authority's proposed pedestrian and expanded utility tunnel to connect the Toronto City Centre Airport's mainland terminal to the island airport.

Since the launch of Porter Airlines in 2006 the Toronto City Centre Airport has demonstrated itself to be an enormously important economic asset to Toronto's regional economy, linking our downtown business and tourist hub to an ever-expanding inventory of eastern continental destinations. The resiliency of this airline to the many headwinds facing the broader airline industry is a testament to the strategic economic value of its airport's downtown location.

A pedestrian tunnel would not only increase the reliability and convenience of the use of this airport, it would greatly improve public safety by eliminating the risk of occasional ferry service interruptions associated with weather conditions. The potential link of a public safety incident to inclement weather is obvious, and the sole reliability of access via the ferry is a very real concern. No other international airport operates with such limited emergency access options.

Moreover, as Toronto grows in size and stature as a global financial hub, it will be imperative for the region to be easily accessible to both business and tourist travel. In a few short years this airport has become a tremendous source of pride for Torontonians who clearly enjoy the travel options that a second, smaller international airport offers our city region. This proposed stimulus funding project enjoys strong support not only from the Toronto business community, but from the broader public. It would also have immediate and lasting economic benefit to the broader Toronto region.

I am happy to speak with you regarding any aspect of this particular project. Do not hesitate to contact me.

Sincerely,

A handwritten signature in black ink, appearing to read 'Carol Wilding', written over a large, stylized circular flourish.

Carol Wilding  
President & CEO

c.c. Lorna J. Counsell, Porter Airlines Inc



TORONTO  
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August 11, 2009

The Honourable James Flaherty, PC, MP  
Minister of Finance Canada  
140 O'Connor Street  
Ottawa, ON K1A 0G5

Dear Minister Flaherty:

On behalf of the Toronto Board of Trade, I am writing to you and to Minister Baird to express our enthusiastic support for the Toronto Port Authority's proposed pedestrian and expanded utility tunnel to connect the Toronto City Centre Airport's mainland terminal to the island airport.

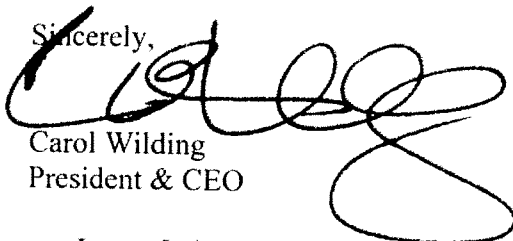
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I am happy to speak with you regarding any aspect of this particular project. Do not hesitate to contact me.

Sincerely,



Carol Wilding  
President & CEO

c.c. Lorna J. Counsell, Porter Airlines Inc.

## **Toronto Port Authority turns a profit in fiscal 2008**

TORONTO, July 23 /CNW/ - The Toronto Port Authority ("TPA") released its 2008 audited financial statements earlier today on its website. The audited financials show that the federal agency earned a profit during the 2008 fiscal year. The Statement of Revenue and Expenses shows an Income from Operations of \$2.251 million, with overall Net Income of \$863,000.

"The Toronto Port Authority has been working hard to deliver results for all Torontonians," said Alan Paul, acting President and CEO. "Even in these tough economic times, we have shown that the TPA can be a profitable driver of economic growth in the Greater Toronto Area."

The top profit contributor at the Toronto Port Authority was the Toronto City Centre Airport, which continues to see remarkable passenger growth as a result of the expansion of Porter Airlines. With the construction of a new terminal currently underway, and further improvements to Airport infrastructure, the stage is set for even further growth in fiscal 2009.

In anticipation of the TCCA's 100% year-over-year passenger growth, the TPA contracted in January 2009 to build a new, larger ferry. Construction of this ferry is well underway in Wheatley, Ontario, and is being financed by the TPA without any government or taxpayer assistance.

"The airport is a huge competitive advantage for the City of Toronto," Mr. Paul stated. "The Toronto Port Authority is committed to providing passengers with the best possible travel experience whether they are using the airport for business travel or for leisure."

All four of the Toronto Port Authority's operating businesses were profitable in 2008. In addition to the City Centre Airport, these include the Port's commercial operations, the Outer Harbour Marina and the TPA's modest remaining Property holdings. Despite the economic downturn, the Toronto Port Authority is cautiously optimistic about continuing this profit experience in fiscal 2009.

The Toronto Port Authority's financial stability ensures the agency will be able to continue its efforts to make the Toronto waterfront a clean and secure place to live, work and do business. Although the focus in 2008 was to turn a profit, the Toronto Port Authority was also actively engaged in cleaning up the waterfront, fighting pollution, and preserving natural environments in and around the Leslie Street Spit.

"Doing our part to make Toronto a better place is at the core of everything we do," stated Mark McQueen, Chairman of the Toronto Port Authority's Board of Directors. "But we also wanted to improve the TPA itself, a task that the new guard on the Board of Directors has taken to heart. Achieving the TPA's first-ever profit is one key example of this effort. Another is the fact that we've reduced the cost of the Board of Directors by approximately 33% in the past fiscal last year versus 2007. The TPA's critics wanted us to be profitable, and the Board and management are pleased to deliver in that regard."

"I am also proud to say that the TPA's cash and short term investments amounted to \$11 million as at December 31, 2008," added Mr. McQueen. "In

addition, the TPA would be delighted to receive the \$12.3 million in overdue Settlement Payments, Harbour User Fees and interest that the City of Toronto has withheld over the past number of years. With these additional funds, the TPA could further improve Toronto's harbour operations, its port facilities and security infrastructure. The TPA has already agreed to pay to the City of Toronto approximately \$5.5 million in payments-in-lieu-of-taxes, consistent with the recommendations of the federal PILTS Dispute Advisory Panel Report, released in early 2009, with these payments-in-lieu-of-taxes having been offset against additional debts owed to the TPA by the City."

Along with bringing an increased business focus to the Authority, the TPA remains committed to continuing its advancements in community outreach and engagement.

"Two of the Toronto Port Authority's highest priorities are transparency and accountability," added Mr. McQueen. "The majority of the Board continues to put its energies into prudent management and oversight so as to ensure that the Toronto Port Authority can continue to improve its services to stakeholders and the public at large. With the input of the harbour's business and residential communities, the Toronto Port Authority is looking forward to improving its operations further, despite the current economic downturn."

For further information:

Janet MacDonald, Toronto Port Authority, (416) 863-2003

## **Toronto Port Authority releases results of City-wide survey**

Majority of Torontonians want port operations - including Toronto City Centre Airport - to stay out of City of Toronto's control

TORONTO, Aug. 4 /CNW/ - The Toronto Port Authority (TPA) today released the results of a public opinion survey conducted by the national public-opinion research firm Pollara Strategic Insights.

The survey was conducted July 6-7, 2009, sampling 500 residents who live within the City of Toronto. In addition to probing the opinions on the performance of the TPA, the survey touched on a wide variety of topics, including attitudes toward the revitalization of the Toronto waterfront, and the Toronto City Centre Airport (TCCA). Porter Airlines and several other aviation enterprises operate out of the TCCA.

In recent years, a handful of local and federal politicians have demanded that the TPA be abolished, with the City of Toronto taking over its duties, including the operation of the TCCA. According to the Pollara survey, a majority of Torontonians (58%) oppose the concept of devolution to the City. Only 14% of respondents "strongly supported" the idea, and 17% "somewhat supported" the idea.

"We were interested in what our stakeholders had to say about this proposal, so we added the devolution question to our annual summer poll," said Mark McQueen, Chairman of the TPA's Board of Directors. "The public reaction was compelling, and serves as a guide for those of us involved in the economic future of Toronto."

The survey further probed Torontonians' attitudes toward the City of Toronto taking over the TPA and the TCCA by asking if they would be more supportive or opposed to this scenario if it meant removing Porter Airlines from the TCCA. Under that scenario, public opposition to devolution grew by a ratio of 4-to-1 against the devolution concept: 53% of Torontonians were more opposed to devolution, while 12% were more supportive.

"It is clear to us that Torontonians support the goals of the TPA in building a sustainable, secure harbour community that includes a thriving airport servicing short-haul passenger traffic," said Alan Paul, the TPA's Acting President and Chief Executive Officer. "It is also worth noting that this poll was conducted before the recent announcement that every TPA line of business reported an operating profit in fiscal 2008."

Survey results can be found on the TPA's website at [www.torontoport.com](http://www.torontoport.com), as well as other information about the TPA.

The Toronto Port Authority was incorporated on June 8, 1999, as a government business enterprise under the Canada Marine Act as the successor to the Toronto Harbour Commissioners. It is a federal public authority providing transportation, distribution, storage, and container services to businesses. The TPA owns and operates the Toronto City Centre Airport, Marine Terminals 51 and 52, and the Outer Harbour Marina. The TPA also provides regulatory controls and public works services to enhance the safety and efficiency of marine navigation and aviation in the port and harbour of Toronto.



## Relevant Survey Results - Details

Pollara surveyed a random sample of 500 City of Toronto residents by telephone between July 6-7, 2009; the margin of error is +/- 4.4%, 19 times out of 20. It is the third annual survey probing Torontonians' views of the TPA, its performance and its strategic objectives. One key question involved the topic of handing over control of the TPA and the Toronto City Centre Airport to the City of Toronto.

The relevant Pollara question text and answers provided were as follows:

QN22N: Some have suggested that the Toronto Port Authority should be abolished, and that the City of Toronto should take over running all of the Port's duties - including transportation, public safety, and environmental protection responsibilities.

Is this something you would

Total Support.....	31%
Strongly Support.....	14%
Somewhat Support.....	17%
Total Oppose.....	58%
Somewhat Oppose.....	15%
Strongly Oppose.....	43%
Don't Know.....	11%
Refused.....	less than 01%
N Size.....	500

QN23N: If, as part of this take over, the City of Toronto closed the Toronto City Centre Airport and removed Porter Airlines, how would this impact your support or opposition to the Toronto Port Authority being abolished and the City of Toronto taking over the Port's duties?

Would it make you more supportive, more opposed, or would it have no impact on your support or opposition to this move?

Is that much more or somewhat more supportive/opposed?

Total More.....	12%
Much More Supportive.....	07%
Somewhat More Supportive.....	06%
No Impact .....	30%
Total Less.....	53%
Somewhat More Opposed.....	14%
Much More Opposed.....	39%
Don't Know.....	05%
Refused.....	less than 01%
N Size.....	500

For further information: Janet MacDonald, Toronto Port Authority, (416) 863-2003

**Toronto  
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**Administration  
Portuaire  
de Toronto**

**For Immediate Release  
August 6, 2009**

## **Majority of Torontonians want pedestrian tunnel to Toronto City Centre Airport: Poll**

*Sixty-two per cent support tunnel concept*

TORONTO – An independent public opinion poll has found that 62% of Torontonians' surveyed support the construction of a pedestrian tunnel to improve access to the Toronto City Centre Airport.

These are among the results of an annual poll conducted for the Toronto Port Authority (TPA) by the national public-opinion research firm Pollara Strategic Insights.

The 500-person survey was conducted July 6-7, 2009. In addition to probing opinions on the performance of the TPA, the survey touched on a wide variety of topics, including attitudes toward the revitalization of the Toronto waterfront, and the Toronto City Centre Airport (TCCA). Porter Airlines and several other aviation enterprises operate out of the TCCA.

In June of this year, the TPA reintroduced the decades-old tunnel concept given the apparent dearth of Toronto-area infrastructure projects which could benefit from the federal government's stimulus funding program. A pedestrian tunnel underneath the Western Gap of the Toronto harbour would improve access between the mainland and the Toronto City Centre Airport for the commuting public. Medical patients involved with TCCA emergency medical evacuation flights would also be key beneficiaries.

According to the survey, 62% of respondents support the construction of a pedestrian tunnel. Only 21% of respondents are "strongly opposed" to the concept, while 10% are "somewhat opposed" to it.

"In light of Toronto's need for shovel-ready infrastructure projects able to access federal stimulus funding and create local jobs, this is the perfect time to reintroduce the tunnel concept. The concept has four key drivers: TCCA passenger volume increased 100% between 2007 and 2008; a tunnel has practically no carbon footprint; it would last for generations; and, as we saw in the Pollara survey results released earlier this week, Torontonians want the TCCA to succeed as a commuter airport," said Mark McQueen, Chairman of the TPA's Board of Directors. "Given the long-term benefits of this type of infrastructure, we were naturally interested in what Torontonians had to say about the concept. So, we put the question to them."

In addition to improving access to the TCCA, including a new \$45-million terminal currently being built by Porter Airlines, the pedestrian tunnel concept could also serve as a conduit for needed water main and utility upgrades to serve residents and businesses on the Toronto Islands. The TPA has

invited the City of Toronto to consider teaming up on the project in the coming weeks, given the City's pressing need to upgrade its core services to the Toronto Islands.

"The tunnel concept has been around since the 1930s when City officials first brought the idea forward to spur on economic development," said the TPA's Acting President and CEO, Alan Paul. "In 1935, *The Globe and Mail* editorial board termed the project 'inevitable'. The undeniable success of the TCCA, combined with the broad public support for the tunnel concept and the TPA's overall stewardship of the harbour, presents a unique opportunity to finally make it happen."

"Medical patients and organs for transplants arriving on medevac aircraft are sometimes transported in open boats over choppy water in very inclement weather," added Ken Lundy, TCCA Airport Director. "A tunnel would give paramedics and their patients safe, reliable, round-the-clock access to downtown Toronto hospitals."

The tunnel concept has received the support of several business and community groups, local politicians as well as Canada's largest daily newspaper, *The Toronto Star* ("For an island tunnel", June 8, 2009, pg. A12).

"The island airport has proven to be a success story for the City of Toronto," said City Councillor Karen Stintz. "[The tunnel] is a shovel-ready infrastructure project that will result in job creation as well as enhancing municipal infrastructure. The addition of a tunnel will result in improved access for commuters year round."

The Toronto Port Authority was incorporated on June 8, 1999, as a government business enterprise under the *Canada Marine Act* as the successor to the Toronto Harbour Commissioners. It is a federal public authority providing transportation, distribution, storage and container services to businesses. The TPA owns and operates the Toronto City Centre Airport, Marine Terminals 51 and 52, and the Outer Harbour Marina. The TPA also provides regulatory controls and public works services to enhance the safety and efficiency of marine navigation and aviation in the port and harbour of Toronto.

Further information about the TPA is available on the TPA website at [www.torontoport.com](http://www.torontoport.com).

- 30 -

**For more information contact:**

Janet MacDonald  
Toronto Port Authority  
(416) 863-2003

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## Relevant Survey Results

**Details:** Details Pollara Strategic Insights surveyed a random sample of 500 City of Toronto residents by telephone between July 6-7, 2009; the margin of error is  $\pm 4.4\%$ , 19 times out of 20. It is the third annual survey probing Torontonians' views of the TPA, its performance and its strategic objectives. A key question posed by Pollara sought to gauge the potential support for the construction of a pedestrian tunnel connecting the mainland with the TCCA.

Q25N: As you may know, access to this airport is by a short ferry ride across a distance of 400 feet (or 121 metres) of water. Do you strongly support, somewhat support, somewhat oppose, or strongly oppose the construction of a pedestrian tunnel underneath this waterway to improve access to the Toronto City Centre Airport?

Total Support .....	62%
Strongly Support .....	34%
Somewhat Support .....	28%
Total Oppose .....	31%
Somewhat Oppose .....	10%
Strongly Oppose .....	21%
Don't Know .....	7%
Refused .....	<1%
N Size .....	500