

**Toronto
Port
Authority**



**Administration
Portuaire
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December 1, 2010

Councillor Adam Vaughan
City of Toronto
100 Queen Street West
Toronto, Ontario M5H 2N2

Dear Councillor Vaughan:

Re: Proposed Pedestrian Tunnel

Thank you for attending last night's public consultation regarding the draft environmental assessment report we released that reviewed the proposed pedestrian tunnel to the Billy Bishop Toronto City Airport ("BBTCA").

I wanted to take this opportunity to clear up a misunderstanding that you appear to have regarding the Toronto Port Authority's proposed tunnel route and our ability to proceed with the project, should that decision be taken. This letter is in keeping with previous correspondence along similar lines regarding other misunderstandings and misrepresentations (June 27, 2008, August 28, 2009, and October 20, 2010).

The current proposed tunnel route utilizes federal lands, both above and below ground. In the letter to former Mayor David Miller, dated October 29, 2010, we advised the City that there was an opportunity for travellers and the City of Toronto to each save substantial sums. I believe this is the letter you raised at last night's meeting. Here is the relevant excerpt from that letter:

Engineers have designed the proposed route for the BBTCA pedestrian tunnel in such a way that it "jogs" around a particular dockwall owned by the City of Toronto, which is situated just east of the TPA property that holds the city-side passenger ferry terminal. With this "jog" the TPA requires no City permits or easements to construct the tunnel, as the entire project is then on Federal land, should we decide to ultimately proceed with the initiative in the coming weeks. Given your longstanding opposition to the BBTCA, and your specific public anti-tunnel comments of August 7, 2009, we have not approached you earlier regarding this matter. Time is now of the essence, and with the end of the mayoral campaign, it would be imprudent of us not to make this formal request.

The purpose of this letter is to advise you that our design engineers believe that we can save approximately \$3.5 million in construction costs if we

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were to build the proposed tunnel directly below the City's dockwall, rather than "jogging" around it. A \$3.5 million reduction in construction costs would mean that the TPA could reduce the current \$20 Airport Improvement Fee ("AIF"), at some point in the future, sooner than otherwise (as you may know, capital improvements at most Canadian airports, including the BBTCA, are financed via such passenger fees). It seems such a waste to spend an additional \$3.5 million but for our inability to secure this easement from the City of Toronto. From a timing standpoint, our designers need formal clarity on the matter in the very near term.

Should the City agree to provide us with the proposed easement, we would naturally ensure that the dockwall's structural integrity is maintained throughout the construction process, and would indemnify the City from any damage that might occur during the proposed tunnel's construction, if requested. As well, if it was your preference, we would also be prepared to acquire this specific dilapidated City-owned dockwall for a nominal sum on an "as is, where is" basis, and take on what we are advised is approximately \$1.5 million of pressing structural repairs. Under this scenario, no City easement would be required to proceed with the "cheaper" tunnel route, and the City would no longer have the substantial financial and legal liability associated with this particular dockwall.

The purpose of the letter to you cited was simply to advise the City that:

1. we have a window which provides the opportunity to save BBTCA travellers \$3.5 million in reduced Airport Improvement Fees, over time, if the TPA was granted an easement from the City for the purposes of utilizing a direct tunnel route; and
2. in conjunction with the above, the TPA is prepared to acquire the dockwall in question for a nominal sum and assume the \$1.5 million liability associated with the critical repairs that are required to the City-owned dockwall situated just East of the BBTCA ferry slip on the north side of the Western Channel.

No where in that letter do we suggest or imply that the current proposed route involves anything other than TPA land. However, it would be a shame to waste \$3.5 million solely because our local councillor is opposed to the BBTCA and the proposed pedestrian tunnel.

In light of the strong message sent by voters in the recent municipal election, I hope you and your colleagues will welcome the opportunity to work with us to save Torontonians material funds at each and every turn. Thank you for the opportunity to address this matter. If you would like any further detail, our team remains ready, as always, to assist.

Respectfully,


Mark McQueen
Chairman