



STAFF REPORT ACTION REQUIRED

Request from Porter Airlines for Exemption to Commercial Jet Ban at Billy Bishop Toronto City Airport

Date:	May 6, 2013
To:	City Council
From:	Deputy City Manager, Cluster B
Wards:	Ward 20 Trinity-Spadina, Ward 28 Toronto Centre-Rosedale
Reference Number:	P:\2013\WF\CC13004

SUMMARY

The purpose of this report is to comment on the decision of the April 23, 2013 Executive Committee regarding Porter Airlines' request to amend the Tripartite Agreement governing the Billy Bishop Toronto City Airport (BBTCA).

This report provides: (i) a preliminary overview of the issues related to Porter Airlines' request, (ii) a high-level work program outlining work to be undertaken by staff and (iii) an estimate of the overall consultant costs to complete the proposed work program.

The review of Porter Airlines' request will be a complex undertaking requiring the expertise of outside consultants and cooperation of the Toronto Port Authority and Transport Canada. The review must be comprehensive in its approach and consider the overall impacts of airport expansion, not only the requests that have been put forward by Porter Airlines. Consultation with the signatories to the Tripartite Agreement, the local community and airport stakeholders is essential to the completion of the review. Staff estimates that the cost to complete Phase 1 of the review is \$225,000 to \$275,000 which will be funded by Porter Airlines. Phase 2 of the review is estimated to cost between \$800,000 and \$1M which is currently unfunded.

The recommendations contained within this report are in addition to the recommendations adopted by Executive Committee on April 23, 2013.

RECOMMENDATIONS

The Deputy City Manager, Cluster B recommends that:

1. City Council request a signed letter of intent from the Toronto Port Authority and the Government of Canada (represented by the Minister of Transport) confirming (i) their interest in responding to the proposal from Porter Airlines to examine the feasibility and implications of commercial jet service at BBTCA, (ii) their agreement to provide information that may be requested from them to conduct a technical assessment of the Porter Airlines proposal and (iii) to work cooperatively with the City, which may include the provision of their resources;
2. City Council increase the 2013 Approved Operating Budget for City Planning, in the amount of \$275,000 gross, \$275,000 revenue and \$0 net, for the purpose of Phase 1 of the evaluation of the Porter Airlines request subject to receipt of third party funding from Porter Airlines;
3. City Council request the Deputy City Manager responsible for the Waterfront Initiative to request a funding commitment from both Porter Airlines and the TPA for the proposed Phase 2 work;
4. City Council request the Deputy City Manager responsible for the Waterfront Initiative to undertake the following work and report on the results to the July 3, 2013 Executive Committee meeting:
 - a. Evaluate the extent to which commercial and general aviation operations at BBTCA conform to the current terms and conditions of the Tripartite Agreement;
 - b. Evaluate the overall passenger and airport capacity that can be achieved in accordance to the Tripartite Agreement;
 - c. Establish a methodology for evaluating the airport within the broader planning policy framework;
 - d. Evaluate the airside and landside constraints and related infrastructure requirements relevant to expansion of aeronautical and non-aeronautical operations at BBTCA;
 - e. Evaluate the physical and operational requirements associated with Porter Airlines proposal for the use of regional jet aircraft (Bombardier CS-100 series) including, but not limited to: City infrastructure required to support an increase in aeronautical and non-aeronautical operations, compatibility with current Noise Exposure Forecast (NEF) Contour standards, and changes to takeoff and landing approach surfaces, protected airspace and the marine exclusion zone;
 - f. Conduct a preliminary analysis of economic impacts and opportunities regarding maritime, aviation, and other uses and users that may be affected by the physical and operational expansion of BBTCA including the introduction

- of regularly scheduled regional jet service, and the impact on the manufacturing sector in Toronto of the assembly of CS-100 aircraft in Canada;
- g. Conduct an initial public consultation meeting with respect to the Porter Airlines proposal: and
- h. Bring forward any other information/studies deemed appropriate.

Financial Impact

This review will require technical expertise that is not available within the Toronto Public Service. Accordingly, consultants will need to be retained to complete the analysis of airport/aircraft technical requirements, noise and environmental conditions, traffic and groundside operations, marine navigation and economic impacts. In addition, an independent third-party public consultation consultant will be required to coordinate public and stakeholder impact.

Costs incurred through the retention of these consultants will require an increase in City Divisional operating budgets. The expected budget to provide an initial report to the July 3, 2013 Executive Committee meeting (Phase 1) is \$225,000 to \$275,000 and the estimated cost to complete the final review (Phase 2) is \$800,000 to \$1M. These cost estimates will be further refined in the report to the July 3, 2013 Executive Committee meeting. In order to provide a detailed report in time for the July 3, 2013 Executive Committee, staff may need to retain consultants with expertise in airport and aircraft operations and other matters on a sole-source or single-source basis.

Porter Airlines committed to funding the initial Phase 1 work. The Toronto Port Authority is the airport operator and staff will also request funds from the TPA for completion of the Phase 2 work. The City would be providing staff time in-kind.

The table below reflects the recommended 2013 incremental operating budget change to City Planning.

City Division	Phase 1		
	2013 Gross	2013 Revenue	2013 Net
City Planning			
Waterfront Renewal	275,000	275,000	-
Total	275,000	275,000	-

The 2013 revenue budget increase represents funding from Porter Airlines, which has committed to funding Phase 1.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

At its meeting on April 23, 2013, Executive Committee considered a letter from Mayor Ford requesting a report from staff in response to the April 22, 2013 letter to the Mayor from the President and CEO, Porter Airlines.

Given the financial implications of the request, the item is now before City Council. The Executive Committee decision is available at the following link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX31.27>

ISSUE BACKGROUND

The Billy Bishop Toronto City Airport (BBTCA), commonly known as the Island Airport, was opened in 1939 as the primary airport for Toronto. That function was succeeded by Toronto Pearson International Airport which has serviced as the primary commercial airport for the Greater Toronto Area since the 1940's. BBTCA currently serves a mix of commercial and general aviation traffic on three runways (two extending east-west and one in a north-south direction). Two airlines (Porter Airlines and Air Canada) offer domestic and cross-border service to the United States. Flights are regional in nature due to current restrictions on the size and type of aircraft that may be operated from BBTCA.

In 1983, the City of Toronto, Toronto Harbour Commission (superseded by the Toronto Port Authority) and the Government of Canada (represented by the Minister of Transport) entered into an agreement for the lease of the airport lands for a term of 50 years. The "Tripartite Agreement" governs the operation of the airport by the Toronto Port Authority and contains specific terms regarding types of aircraft permitted to operate at the airport, hours of operation, noise conditions and access limitations. The Tripartite Agreement expires in 2033 and does not contain any provisions for renewal.

In November 2002, the Tripartite Agreement was amended to permit a fixed link between the mainland and the island that would be constructed and operated by the Toronto Port Authority. City Council's decision supported the expansion of the airport subject to a maximum number of aircraft movements as allowed under the NEF 25 (Noise Exposure Forecast) contour and subject to:

- The Toronto Port Authority monitoring and reporting all traffic-related factors, including environmental factors;
- Requiring a review of the Tripartite Agreement 25 years after the fixed link had been completed;
- Continuing a ban on jet aircraft;
- Formalizing curfew hours as currently exist;
- Establishing noise abatement procedures; and
- Continuing the ban on expansion of existing runways and construction of new runways.

On December 3, 2003, City Council adopted a resolution stating that the City of Toronto does not support the construction of a bridge in the form of a fixed link to the airport.

In 2006, Porter Airlines initiated commercial operations at BBTCA with a fleet of Bombardier Q400 turboprop aircraft serving various destinations within the range of their aircraft. Those operations expanded continuously with the acquisition of new aircraft and addition of new routes and increased frequency of service. In 2011, Air Canada reinstated limited operations at BBTCA with similar aircraft. The airport currently handles approximately 2.5 million passengers per year (enplaned and deplaned) in addition to general aviation operations (corporate and private aircraft).

In 2010, the Toronto Port Authority completed a capacity study for the airport following requests from other airlines to operate from BBTCA. The capacity study concluded that based on the configuration of the airport facilities (runways, taxiways, passenger terminal, hangars, etc.) and noise constraints imposed by the Tripartite Agreement, the airport could accommodate a maximum of 202 daily slots for scheduled commercial aircraft arrivals and departures. The results of the capacity study were peer reviewed by a consultant retained by the City of Toronto in 2011. The peer reviewer concurred with the study findings.

The TPA is currently undertaking the construction of a pedestrian tunnel from the ferry terminal at the end of Eireann Quay to the passenger terminal building at the airport which is owned and operated by Porter Airlines. Associated pick-up and drop-up and temporary parking facilities have been constructed on the Canada Malting lands on an interim basis. This tunnel is approximately 120 metres in length and crosses under the Western Channel to the Inner Harbour and is expected to be completed in 2014. It is anticipated that the tunnel will accommodate the majority of passenger traffic to and from the airport, replacing the current ferry trip across the Western Channel. The ferry will continue to operate primarily to transport vehicles and supplies to and from the airport. The tunnel is being constructed as a Public-Private-Partnership (P3) with a total cost of \$82.5M financed by an Airport Improvement Fee (AIF) charged against commercial airline passengers. The City of Toronto has entered into an agreement with the TPA to construct a new watermain serving the Toronto Islands and airport through the pedestrian tunnel, resulting in savings to the City of approximately \$10M.

Staff Report on the TPA Pedestrian Tunnel and Master Agreement is available at the following link:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2011.CC10.5>

In August 2012, the City of Toronto, Toronto Port Authority and Toronto District School Board began a traffic study for the area in and around Eireann Quay to resolve traffic congestion and safety issues resulting from the increase in traffic to and from the airport. The BBTCA & Eireann Quay Strategic Transportation Study examined short, medium and long term concepts to mitigate and resolve congestion issues in the area. This study is pending a decision on whether the City will undertake a review of the Porter Airlines proposal, as the future growth assumptions for the airport will be affected by changes to Porter Airlines' operations.

BBTCA & Eireann Quay Strategic Transportation Study is available at the following link:

http://www.toronto.ca/planning/tp_strategic_plan.htm

In 2012, the Toronto Port Authority retained InterVistas Consulting Group to complete an economic impact study for the BBTCA. The study found that operations at BBTCA generate 1,700 jobs directly associated with the airport and \$1.9B in economic impact.

InterVistas Economic Impact Study is available at the following link:

<http://www.torontoport.com/Airport/News/Billy-Bishop-Toronto-City-Airport-Generates-Nearly.aspx>

COMMENTS

Tripartite Agreement:

The Tripartite Agreement governs the operation of the airport and places restrictions on the types of aircraft that may be operated at the airport, hours of operation, noise conditions and access. Each of the three signatories to the agreement (City of Toronto, Toronto Port Authority, Government of Canada) own part of the lands on which the airport is located. The agreement can only be amended in writing with the consent of all parties. There is currently no provision to extend or renew the Tripartite Agreement past the expiration in 2033.

It is staff's opinion that the other parties to the agreement, namely the Toronto Port Authority and the Government of Canada (Transport Canada), should confirm in writing that they agree to participate and will undertake the review of the Porter Airlines proposal in cooperation with the City of Toronto. The TPA, as the owner and operator of the airport, is responsible for the runways, gates, terminal and landside facilities and as such, is responsible for the determination of improvements required to facilitate Porter Airlines' proposal. Transport Canada has advised that any improvements to the airport related to the Porter Airlines proposal should be brought forward by the TPA as the owner and operator of the airport.

Staff are recommending that written consent from the Toronto Port Authority and the Government of Canada (as represented by the Minister of Transport) be obtained. Consent from these parties should also contain agreement to a collective work program and establish a letter of intent to acknowledge that all parties agree to participate in the review with a goal of presenting a thorough analysis of the request from Porter Airlines. The letter could also address shared costs for the review and shared resources.

City staff has requested preliminary information from the Toronto Port Authority related to Porter Airlines' request as outlined in a letter dated May 1, 2013 (Attachment 1).

Economic Development:

To date, the success of operations at the airport has been a positive contribution to the overall economy of the City of Toronto. Staff will review whether the addition of new destinations will result in a net increase in new travellers to Toronto given that the destinations proposed by Porter Airlines are already covered by airlines operating from Toronto Pearson International Airport. Staff will also review the impact on waterfront tourism and the on-going revitalization along the waterfront and whether the Toronto manufacturing sector will benefit from the production of the CS-100 aircraft.

Staff are proposing to undertake a preliminary analysis of the economic impacts and opportunities as part of the preparation of the staff report to the July 3, 2013 staff report to Executive Committee.

Bombardier CS-100 Aircraft:

Porter Airlines has requested that the Tripartite Agreement be amended to exempt CS-100 aircraft from the current ban on jet aircraft at the airport. The CS-100 is a commercial jet aircraft that is currently under development by Bombardier Aerospace. Porter Airlines and Bombardier state that the CS-100 will have similar noise characteristics similar to those of the Q400 turboprop aircraft currently operating at BBTCA. Those statements have not been verified because the aircraft has not completed test flights or certification.

A complete review of the performance capabilities of the CS-100 aircraft will require the expertise of an aerospace/airport consultant and is beyond the expertise of staff within the Toronto Public Service. The CS-100 is still in the prototype stage and is expected to make its maiden flight in June of this year. At this stage in its development, it may be difficult to accurately model the performance of this aircraft at a comparable level as other aircraft currently operating (such as the Q400 or the current generation of regional jets built by Bombardier or Embraer).

If amendments to the Tripartite Agreement are to be considered to permit this aircraft, a full examination of the aircraft's capabilities and impact must be completed and reviewed by appropriate experts. Staff are following up with Transport Canada to determine how to proceed with the review of this aircraft.

Runway Extension:

Porter Airlines has requested a 168m extension at both ends of the main runway (08/26) in order to accommodate the CS-100. These extensions are proposed to include a 150m Runway End Safety Area (RESA) that Transport Canada is reviewing at the request of the Transportation Safety Board. City staff are following up with Transport Canada to determine whether this proposed requirement is applicable to the BBTCA and if runway extension is the only option being considered.

It is worth noting that runway extension would also permit turboprop aircraft (i.e. Q400 series aircraft) to operate with greater loads under certain meteorological conditions that presently limit maximum take-off weight.

Extension of the main runway would require an extension of the airport land area into the Inner Harbour and the approach to the Western Gap. The Tripartite Agreement contains a clause that does not permit the extension of the runways; an amendment to this clause would be required. An understanding of how marine navigation in the Inner Harbour, Western Channel, and the western approach to the harbour needs to be provided by the TPA and accepted by the City of Toronto. Changes to the navigation in the Inner Harbour may affect the City's ferry operations to and from Hanlan's Point and other boaters (recreational and commercial).

Toronto and Region Conservation Authority (TRCA) staff have provided preliminary comments on the impact runway extensions may have on sediment transport, bathymetry, water circulation and quality and natural habitats. These comments are outlined in Attachment 4.

Airport and Groundside Operations:

The growth of the airport's operations and intensification of residential uses and recreational amenities along the Central Waterfront has resulted in greater land use conflicts between the airport and its context. In particular, the increase in passenger volumes has overwhelmed the airport's groundside facilities and local street network. The BBTC & Eireann Quay Strategic Transportation Plan is examining traffic congestion and safety in the area and looking at the potential for short, medium and long term solutions.

Although Porter Airlines has stated that it does not anticipate that the introduction of CS-100 jets to the airport will increase the overall passenger volumes significantly at peak times, it is important that the City understand the anticipated growth of the airport. This needs to be reviewed within the planning policy framework for the waterfront. In general, it is a question of whether the scope and scale of the airport should increase and the introduction of flights beyond its current regional focus can be accommodated, especially in the context of continued transformation of the waterfront from its industrial past to its mixed-use future.

Groundside facilities at the BBTC are underdeveloped and do not adequately encourage passengers to use transit. Trips to and from the airport are significantly biased towards private vehicles (taxis and private cars) which generates traffic congestion on roads leading to the airport during peak periods. The existing intensity of airport-related use has created unresolved conflicts between airport traffic, the local community, public school and community centre. This needs to be resolved in the short term to the satisfaction of all parties and stakeholders, notwithstanding any further consideration of expansion of the airport. The City needs to know if the TPA is planning for further airport growth. The

possible redevelopment of the Canada Malting lands by the City or its agencies is a further consideration.

The Toronto District School Board (TDSB), which operates the Waterfront School located at Queen's Quay and Eireann Quay/Bathurst Street has advised that any expansion of operations at BBTCA should take into account the following items:

- Safety of children crossing the roadway to and from the school and minimization of any pedestrian and vehicle conflicts in the area;
- Changes to current taxi queuing and parking requirements for TPA operations both on the island and on the mainland and any impacts that the introduction of jets and/or runway extension will have on the short/medium/long term transportation requirements;
- Current and future passenger traffic projections for Porter Airlines and their impact on groundside operations, facilities and traffic movements;
- The intended use of the 100 ft easement that the TPA currently holds over Little Norway Park;
- Future plan for the improvement of the Stadium Road parking lot by the TPA or their partners; and
- Air quality and noise impacts in the short/medium/long term for the expanded traffic at the airport.

These are preliminary comments from the TDSB and it is expected that other issues may arise through the review of Porter Airlines' request and related documentation. As requested, staff will consult with the school community through the review process.

Improvements to groundside operations will require extensive planning analysis and must be completed comprehensively for the entire area. This work is included in the work plan for the review of Porter Airlines' request if City Council directs staff to undertake the review.

Environmental, Noise and Air Quality:

The airport's location along the Central Waterfront and adjacent to a residential community highlights the importance of balancing the airport's effects with the needs of the community. Currently, the Tripartite Agreement contains provisions that limit aircraft noise and places a curfew on flights to and from the airport (no flights are permitted from 11:00pm to 6:45am).

The Tripartite Agreement contains provisions that regulate noise emitting from aircraft operating from the airport utilizing the Noise Exposure Forecast (NEF) model developed by Transport Canada. The NEF value is a calculated measure of aircraft noise based on the type of aircraft in use, the take-off and landing patterns of the aircraft, times of operation, runway configuration and utilization and meteorological conditions. The model does not include ground-based noise from the aircraft other than landing and take-off segments (i.e. engine run-up activities are not included in the model). The NEF

represents the noise exposure over a typical 24-hour period with a penalty applied to night-time operations.

Article 27 of the Tripartite Agreement states that the "lessee shall...regulate the overall frequency of aircraft movements in order to contain the actual 28 NEF Contour within the boundary of the official 25 NEF Contour for 1990" (Attachment 3). Further, the agreement states that "the lessee shall not be required to prevent the actual 28 NEF Contour from expanding in a westerly direction beyond the official 25 NEF Contour for 1990 at any point between the two points marked "X" and "Y" on the official 25 NEF Contour for 1990." The X and Y points are located at the western end of the airport lands south of Ontario Place. The Tripartite Agreement does not regulate noise between these points. The Tripartite Agreement contains provisions for how the parties will respond to 28 NEF Contour lines extending past the 25 NEF Contour. There are no residential uses within the 25 NEF (1990) Contour.

Each year, Transport Canada provides a noise modeling study to the City of Toronto for previous years. The study's objective is to identify any breach of the Tripartite Agreement in regards to the 25 NEF (1990) Contour. These studies have been provided to the City up to the 2009 calendar year.

The Tripartite Agreement currently does not regulate noise outside of the annual NEF contour study and aircraft performance specifications. Furthermore, airport operations such as maintenance, repair and overhaul of commercial and general aviation aircraft are not regulated by the current agreement. With the changes in operations at the airport, these items should be considered for regulation under the agreement.

In order to properly assess the impact of the CS-100 at the airport, the aircraft will need to be modeled in Transport Canada's NEF software. This work should be undertaken by Transport Canada, Bombardier Aerospace, Porter Airlines and/or the Toronto Port Authority with the results submitted to the City for peer review by third-party consultants.

In 2010, the TPA retained RWDI Air Inc. to complete a noise and air quality impact assessment in the area of the BBTCA. These studies were completed based on the assumption of 202 aircraft slots per day and 1.43 million passengers in 2010 and a projection of 2.56 million passengers per year in 2016. The assessments were intended to provide information about noise and air quality impacts related to aircraft movements, ferry service and road traffic in the area for 2010 to 2016. The study found that the 2016 scenario resulted in an increase in noise from the airport that was comparable or dominated by noise from road traffic and TTC LRT operations in the study area.

Air quality needs to be examined as part of the review of the airport's expansion. Although the current fleet of aircraft is more efficient and emit less pollution than their predecessors, the overall number of flights has increased significantly to the point where a review of the overall impact needs to be completed. This review would be undertaken as part of the workplan. The 2010 air quality report from RWDI Air Inc. concluded that

the expected 2016 activity at the airport will not result in adverse effects in local air quality and the concentrations of air contaminants in the study area are typical of levels near a major highway (such as the Gardiner Expressway).

An examination of the impact on noise and air quality will need to be undertaken as part of this assessment to confirm whether the introduction of jet aircraft and overall increases in passenger volumes will have any affect on the Central Waterfront Area.

Planning Framework:

The BBTCA and Toronto Islands are not part of the Central Waterfront Secondary Plan (CWSP). The Official Plan designates all the Toronto Islands (including the airport) as Parks, Natural Areas, Other Open Space, with Neighbourhoods for existing residential uses.

The Airport Lands are designated Parks in the Official Plan and subject to Site and Area Specific Policies 192 and 194. Site and Area Specific Policy 194 addresses the existence of the airport.

Site and Area Specific Policy 194 permits aviation uses on the airport lands subject to:

- a. The use will be in accordance with the provisions of the lease arrangement among the City, the Port Authority and the Government of Canada respecting the use of the airport for aviation purposes and uses incidental and accessory thereto;
- b. In the event that the airport on the City Centre Airport is closed, it is the policy to seek the immediate conversion of the lands on which the airport is located for parks, or parks and residential purposes, and uses incidental and accessory thereto; and
- c. Further, the continued use of the airport lands for aviation purposes will be supported, exclusive of the environmentally sensitive area on the west side of the airport lands, including protection of the existing flight paths. Revision to the provisions of the lease agreement may be undertaken, provided that the City is satisfied that improvements to airport facilities and operations can be made without adverse impact on the surrounding residential and recreational environment.

Other Issues:

This report is a preliminary scan of issues. Other matters may require analysis as the assessment process unfolds.

PUBLIC AND STAKEHOLDER CONSULTATION

Public and stakeholder consultation will be an essential element of the review of Porter Airlines' proposal. Given the various stakeholders that must be consulted, a third-party

facilitator should be retained to coordinate consultation on behalf of the three signatories to the Tripartite Agreement and to ensure that the consultation is impartial and inclusive. It is common practice at the City of Toronto and other public agencies to retain third-party facilitators to coordinate the public consultation for large and complex projects.

To date, staff has consulted with: Waterfront Toronto, Transport Canada, Toronto Port Authority, Toronto and Region Conservation Authority (TRCA), Toronto District School Board (TDSB) and various City Divisions and Agencies. Waterfront Toronto outlined the need for more information in order to understand and review the proposal; however they have confirmed that the airport has managed to coexist with their waterfront revitalization efforts to date.

Staff are recommending that a preliminary public and stakeholder meeting be held in June with the results reported to the July 3, 2013 Executive Committee meeting.

WORK PROGRAM AND ESTIMATED COSTS

The review of Porter Airlines' request will require a significant amount of work and the retention of consultants with specific expertise. Staff will prepare a detailed work program if directed to report to the July 3, 2013 Executive Committee meeting. The preliminary work plan proposes 2 phases with Phase 2 only proceeding under the direction of City Council.

A preliminary work program is outlined below:

Phase 1:	
June 2013	<ul style="list-style-type: none"> ▪ Preliminary review of issues (economic impacts and opportunities, technical feasibility of CS-100 aircraft, passenger volume projections, etc.) ▪ Retention of consultant services to support the review ▪ Public and stakeholder consultation
July 2013	<ul style="list-style-type: none"> ▪ Report on preliminary issues review and seek adoption of final work program and budget by City Council
Phase 2	
July 2013	<ul style="list-style-type: none"> ▪ Draft and release of RFQ/RFPs for consultant services to support review
September/October 2013	<ul style="list-style-type: none"> ▪ Public and stakeholder consultation ▪ Preliminary review of issues and technical analysis by consultant teams
October/November 2013	<ul style="list-style-type: none"> ▪ Staff report on findings of technical analysis, and whether to consider amendments to Tripartite Agreement

If City Council decides to amend the Tripartite Agreement, staff will continue to implement the direction of Council in cooperation with the other signatories to the agreement. This will result in further reports to City Council.

Staff have consulted with the various City Divisions and agencies that will participate in the review of Porter Airlines' request. The following chart outlines the type of consultant

work that will be required and estimated overall cost for each phase. This does not include City staff resources.

City Division	Phase 1	Phase 2
Waterfront Secretariat	Aircraft/Airport Consultant	<ul style="list-style-type: none"> ▪ Aircraft/Airport Consultant ▪ Peer Review of Noise and Air Quality Report ▪ Peer Review of Marine, Aquatic Habitat, and Environmental Report
Economic Development & Culture	Economic Impact Analysis	<ul style="list-style-type: none"> ▪ Economic Impact Analysis
City Planning (including Transportation Planning)	Review of Groundside Issues and Impacts	<ul style="list-style-type: none"> ▪ Planning Framework/Rational ▪ Transportation & Groundside Consultant
	3rd Party Facilitator	3rd Party Facilitator
	Miscellaneous & Contingency	Miscellaneous & Contingency
Estimated Cost:	\$225,000 to \$275,000	\$800,000 to \$1,000,000

Porter Airlines has agreed to pay for the first phase of consultant work. Staff will also request a funding commitment from the TPA for the Phase 2 work. Staff will continue to refine the anticipated costs of Phase 2 and report to the July 3rd Executive Committee meeting on the funding commitments. A final cost estimate for Phase 2 will be provided in the report to the July 3, 2013 along with an update on the commitment from the TPA and Porter Airline to fund the review.

Attached are correspondence to TPA and Porter Airlines outlining issues and information needs that have been identified to date, and a request for a formal submission from Porter Airlines.

CONTACT

Gwen McIntosh, Director/A, Waterfront Project
 Tel: (416) 392-8113; Fax: (416) 392-8805; Email: mcintosh@toronto.ca

SIGNATURE

John W. Livey F.C.I.P.
 Deputy City Manager

ATTACHMENTS

- Attachment 1 – Letter to Toronto Port Authority
- Attachment 2 – Letter to Porter Airlines
- Attachment 3 – 25 NEF (1990) Contour
- Attachment 4 – TRCA Preliminary Comments

Attachment 1 – Letter to Toronto Port Authority



John W. Livey, F.C.I.P.
Deputy City Manager

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May 1, 2013

Mr. Geoffrey Wilson
President & CEO
Toronto Port Authority
60 Harbour Street
Toronto, ON M5J 1B7

Dear Mr. Wilson:

Re: Request from Porter Airlines

At its meeting on April 23, 2013, the Executive Committee considered a letter from Mayor Ford requesting a report from City of Toronto staff on the expansion of Porter Airlines' operations at Billy Bishop Toronto City Airport (BBTCA). This direction was in response to the letter from Porter Airlines dated April 22, 2013 requesting a review of lifting the ban on jets and permitting the expansion of the runway at the airport. A staff report will be considered at the May 7 and 8, 2013 City Council Meeting in response to the decision of the Executive Committee. The link to the Executive Committee decision is below:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX31.27>

Executive Committee has requested that staff report back to the July 3, 2013 committee meeting with a response to the issues outlined. Staff would be in a position to submit a preliminary report to the July meeting and if Council recommends continuing the review, work would continue through the Fall of 2013, with a further report to City Council.

To undertake a review of this request from Porter Airlines, the City will require supporting information from the proponent (Porter Airlines) and the airport owner/operator (Toronto Port Authority). Staff will review this information in the context of the overall airport expansion and its impact on the surrounding community and city.

Preliminary information that has been identified so far includes:

1. Engineering details for runway expansion to YTZ to support CS-100 aircraft including provisions for Transport Canada's Runway End Safety Area (RESA).
2. Approach and departure paths for the CS-100 and impact on existing and potential development along the waterfront, marine exclusion zone and navigation and the Hearn stack (and also the broader impact of the flight paths).
3. Required upgrades to existing air navigation systems to permit CS-100 operation at YTZ.

4. List of required airside infrastructure improvements such as terminal, apron/airfield, and vehicle/service facilities to facilitate projected annual number of enplaned passengers and aircraft movements.
5. List of required infrastructure improvements landside of YTZ to facilitate projected annual number of enplaned passengers.
6. Accommodation for existing and future general aviation uses and users at the airport.
7. Projections for overall passenger and traffic volumes using the airport through the introduction of CS-100 and other aircraft to the airport.
8. Coastal impacts including sediment transport, bathymetry, water circulation, and water quality.
9. Outline of required EA processes, timelines and required approvals.
10. Impacts to navigation in the Western Gap and the Inner Harbour.
11. Understanding how the Department of Fisheries and Oceans will be involved.
12. Aviation safety in relation to potential changes to migration patterns must be addressed in the airport's current bird control program.

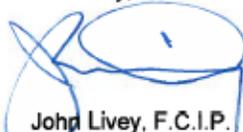
We are following up with various City divisions and agencies to further refine the information request and would welcome meeting with you to review and discuss. As we learn more and ask more questions, we will be asking for more information and studies.

For your information, we have attached our information request that went to Porter Airlines.

The staff report targeted for the May 7 and 8, 2013 City Council meeting will include a recommendation that all signatories to the Tripartite Agreement acknowledge that they agree to participate in the review with a goal of presenting a thorough analysis of the request that is before us. The City will require written agreement from the TPA and the Government of Canada (Transport Canada) to pursue this analysis in a timely fashion.

If you have any further questions, please do not hesitate to contact me.

Sincerely,



John Livey, F.C.I.P.
Deputy City Manager, Cluster B

cc. Robert Deluce, President and CEO, Porter Airlines
Joe Pennachetti, City Manager
Gwen McIntosh – Director Waterfront Secretariat

Attachment – Request to Porter Airlines

Attachment – Request to Porter Airlines

For your information, we have requested the following information from Porter Airlines:

Bombardier CS-100:

1. Performance specifications for the Bombardier CS-100 and engines (PW1500G).
2. Preliminary noise modeling results for CS-100 aircraft in Transport Canada NEF software and results if included in the current 202 slot scenario approved by the TPA.
3. Test results – June 2013. We understand that there are analytic models and wind tunnel data, but there have not been any flight tests. Given this, please let us know when you think you will be able to provide performance data on this aircraft.
4. Proposed location of MRO (maintenance-repair-overhaul) service provider for the CS-100. Would there be light or heavy maintenance work done on be on the island, if not – where?

Airport Operations:

1. Proposed daily schedule (including weekends) for Porter aircraft movements (Q400 and CS-100) and resulting passenger volumes.

Business Plan:

1. List of airports that have entered into an MOU to lease gates or negotiate operating agreements with Porter Airlines.
2. Projected annual passenger volumes on each domestic and international route.
3. Current airline cost per enplaned passenger at YTZ (Billy Bishop Toronto City Airport).
4. Projected airline cost per enplaned passenger at YTZ following proposed airside and landside construction.

Attachment 2 – Letter to Porter Airlines



John W. Livey, F.C.I.P.
Deputy City Manager

City Hall
100 Queen Street West
24th Floor, East Tower
Toronto, Ontario M5H 2N2

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E-Mail: jlivey@toronto.ca

May 1, 2013

Mr. Robert Deluce
President & CEO
Porter Airlines Inc.
Billy Bishop Toronto City Airport
Toronto ON M5V 1A1

Dear Mr. Deluce:

Re: Request from Porter Airlines

At its meeting on April 23, 2013, the Executive Committee considered a letter from Mayor Ford requesting a report from City staff on the expansion of Porter Airlines' operations in response to your letter dated April 22, 2013. A staff report will be considered at the May 7 and 8, 2013 City Council Meeting in response to the decision of the Executive Committee. The link to the Executive Committee decision is below:

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.EX31.27>

Executive Committee has requested that staff report back to the July 3, 2013 committee meeting with a response to the issues outlined. Staff would be in a position to submit a preliminary report to the July meeting and if Council recommends continuing the review, work would continue through the Fall of 2013, with a further report to City Council.

To undertake a review of this request from Porter Airlines, the City will require a formal submission from you along with supporting documentation. Staff will review this information in the context of the overall airport expansion and impact on the surrounding community and city. Information that has been identified so far as required includes:

Bombardier CS-100:

1. Performance specifications for the Bombardier CS-100 and engines (PW1500G).
2. Preliminary noise modeling results for CS-100 aircraft in Transport Canada NEF software and results if included in the current 202 slot scenario approved by the TPA.
3. Test results – June 2013. We understand that there are analytic models and wind tunnel data, but there have not been any flight tests. Given this, please let us know when you think you will be able to provide performance data on this aircraft.
4. Proposed location of MRO (maintenance-repair-overhaul) service provider for the CS-100. Would there be light or heavy maintenance work done on be on the island, if not – where?

Airport Operations:

1. Proposed daily schedule (including weekends) for Porter aircraft movements (Q400 and CS-100) and resulting passenger volumes.

Business Plan:

1. List of airports that have entered into an MOU to lease gates or negotiate operating agreements with Porter Airlines.
2. Projected annual passenger volumes on each domestic and international route.
3. Current airline cost per enplaned passenger at YTZ (Billy Bishop Toronto City Airport).
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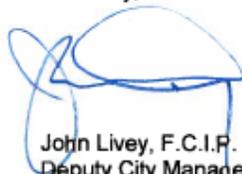
We are following up with various City divisions and agencies to further refine the information request and would welcome meeting with you to review and discuss. As we learn more and ask more questions, we will be asking for more information and studies.

We have attached our information request that went to the TPA; you may be able to provide assistance.

The Executive Committee decision requested that Porter Airlines fund costs associated with the review. City staff is preparing a preliminary review of costs for both the initial and the final analysis. The City will require written confirmation of your commitment to cover the costs of the review prior to commencement of any work by the City. We will review the scope of work and the cost estimates with you so that we can reach agreement.

If you have any further questions, please do not hesitate to contact me.

Sincerely,



John Livey, F.C.I.P.
Deputy City Manager, Cluster B

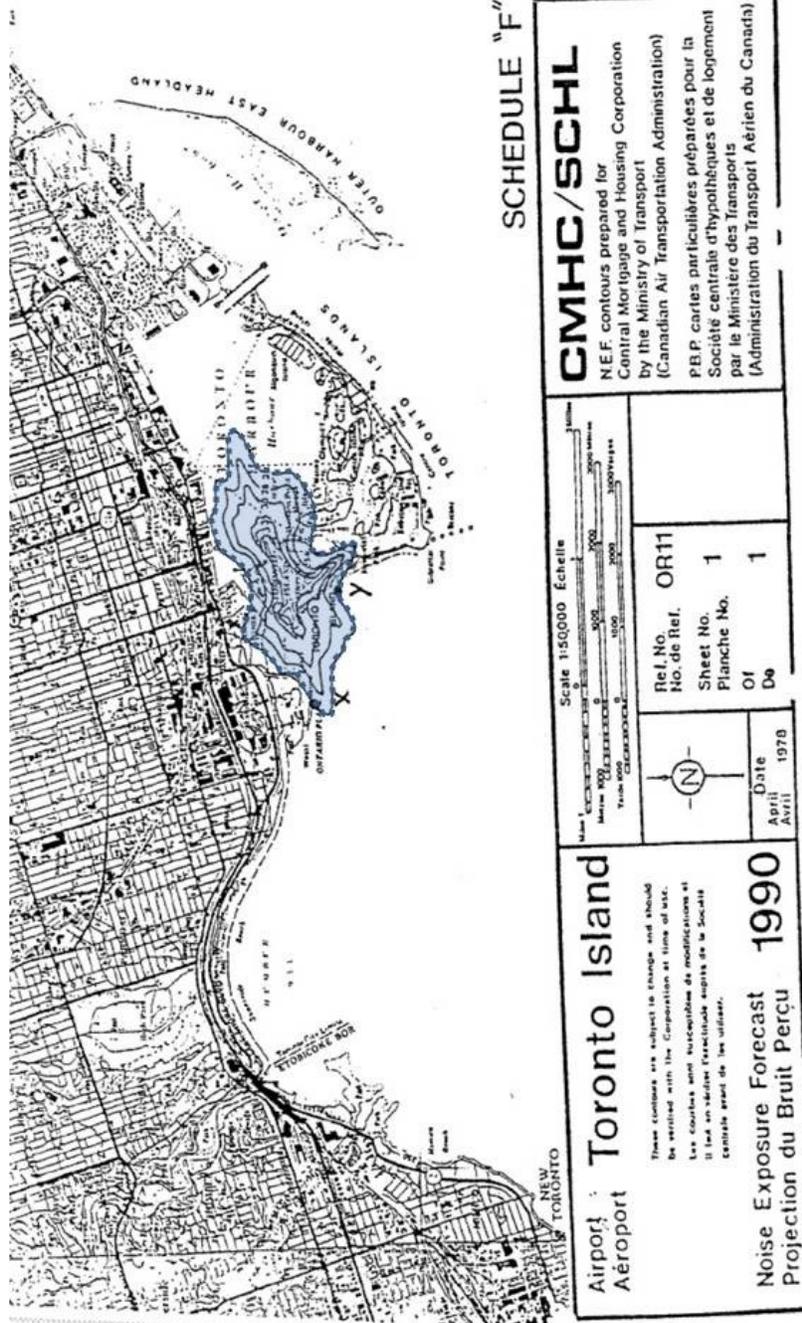
- cc. Geoff Wilson, Toronto Port Authority
Joe Pennachetti, City Manager
Gwen McIntosh – Director Waterfront Secretariat

Attachment - Request to the Toronto Port Authority

Attachment - Request to the Toronto Port Authority**Airport Operations:**

1. Engineering details for runway expansion to YTZ to support CS-100 aircraft including provisions for Transport Canada's Runway End Safety Area (RESA).
2. Approach and departure paths for the CS-100 and impact on existing and potential development along the waterfront, marine exclusion zone and navigation and the Hearn stack (and also the broader impact of the flight paths).
3. Required upgrades to existing air navigation systems to permit CS-100 operation at YTZ.
4. List of required airside infrastructure improvements such as terminal, apron/airfield, and vehicle/service facilities to facilitate projected annual number of enplaned passengers and aircraft movements.
5. List of required infrastructure improvements landside of YTZ to facilitate projected annual number of enplaned passengers.
6. Accommodation for existing and future general aviation uses and users at the airport.
7. Projections for overall passenger and traffic volumes using the airport through the introduction of CS-100 and other aircraft to the airport.
8. Coastal impacts including sediment transport, bathymetry, water circulation, and water quality.
9. Outline of required EA processes, timelines and required approvals.
10. Impacts to navigation in the Western Gap and the Inner Harbour.
11. Understanding how the Department of Fisheries and Oceans will be involved.
12. Aviation safety in relation to potential changes to migration patterns must be addressed in the airport's current bird control program.

Attachment 3 – 25 NEF (1990) Contour



Attachment 4 – TRCA Preliminary Comments

Toronto and Region Conservation Authority (TRCA) staff has advised that an extension at both ends of the runway would raise the following concerns:

- A coastal study for the proposed undertaking will be required to look at issues such as sediment transport, bathymetry, water circulation, and water quality;
- Impacts to navigation at the Western Gap and the Inner Harbour will need to be reviewed and addressed;
- Lakefilling over 100m³ will result in a Harmful Alteration or Destruction (HAAD) of fish habitat and this loss will require compensation. The Department of Fisheries and Oceans must be engaged to review this impact;
- Sedimentation must be mitigated in lakefilling activities. A sedimentation control plan would need to be adjusted according to the geotechnical nature of the fill material;
- If there is consideration of placing fill material in the lake then it has to be done in such a way that maximizes potential benefit to fish and fish habitat;
- The provision of the RESA at the end of the runway will provide an area with an opportunity for birds to loaf in proximity to deep water areas. This may be a safety concern for the operation of the airport; and
- The quality and type of the lake fill material must be addressed, consolidation of material in this location is critical.

Due to the proximity to Tommy Thompson Park, a number of large colonies of birds will potentially result in an increased risk of bird strikes due to the increased frequency of the flights, type of aircraft using the airport and the increased speed of the planes. The creation of the RESA's may result in the area being more attractive to birds and thus a potential increase in the bird population in this area. Aviation safety in relation to potential changes to migration patterns must be addressed in the airport's current bird control program.

These are preliminary comments from the TRCA and it is expected that other issues will arise through the review of the proposal and related documentation.