



**STAFF REPORT  
ACTION REQUIRED**

**Request to Amend the Tripartite Agreement for Billy Bishop Toronto City Airport – Supplementary Report**

<b>Date:</b>	March 19, 2014
<b>To:</b>	Executive Committee
<b>From:</b>	Deputy City Manager, Cluster B
<b>Wards:</b>	All
<b>Reference Number:</b>	P:\2014\Cluster B\WF\EX14003

**SUMMARY**

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This report provides a further update on the review of Porter Airlines' request for an exemption to the commercial jet-powered aircraft ban at Billy Bishop Toronto City Airport (BBTCA) and two 200 metre extensions to the main east/west Runway 08/26. The request would require amending the 1983 Tripartite Agreement between the City of Toronto, Toronto Port Authority (TPA) and Government of Canada (represented by Transport Canada) that governs the operation of the airport.

Considerable effort has been made by staff and stakeholders to evaluate this proposal (studies, meetings, etc.). Several key requirements are necessary to permit consideration of amendments to the Tripartite Agreement. They include, but are not limited to, the following: an environmental assessment of the runway extensions; a detailed design for the runway with taxiway configurations; a method of construction for these facilities; and Transport Canada confirmation that the design and operating procedures of the airport will not materially alter the Marine Exclusion Zone (MEZ) and will fall within the Noise Exposure Forecast (NEF) 25 Contour. In addition, the City must update and re-frame its Official Plan policies to guide the future form, scale and scope of the airport, as well as its relationship to other uses in the Central Waterfront.

In order to frame negotiations with the TPA and Transport Canada going forward, staff are recommending a specific list of requirements tied to a phasing framework with airport passenger volume and flight slot caps, that will be necessary for consideration of any amendments to the Tripartite Agreement. The contents of this report are meant to frame the discussion for Council to give clear direction in bringing this matter to a conclusion. Accordingly, staff are seeking a mandate from Council on these specific requirements to

avoid any ambiguity on what will be required in order to have Council decide on amendments to the Tripartite Agreement.

Staff are proposing a framework that will place limits (caps) on airport passenger volumes and the number of daily and hourly flight slots in order to address issues raised in the November 21, 2013 staff report. The caps are designed to link the airport's growth and passenger volumes to the capacity of groundside transportation and community infrastructure, and to ensure that the airport's operations are conducted in a way that best recognizes and respects its location in the Central Waterfront.

If passenger and flight caps are not implemented at BBTCA, under current restrictions and without the introduction of jets, passenger volumes could continue to increase from the current 2.3 million passengers per year (2 million local, referred to as origin/destination or "O/D", and 300,000 transfer) to approximately 3.8 million, without adequate measures to mitigate effects. Slots could also be increased from the current voluntary cap of 202 per day to an unknown number, provided the increase complies with the NEF 25 Contour as required by the Tripartite Agreement.

If there is no commitment between the Tripartite Agreement signatories to pursue caps at the airport, there will be little sense in further consideration of airport expansion beyond the current terms of the Tripartite Agreement.

Staff have undertaken this review without regard for which airline(s) operate(s) at BBTCA. The decision on the future of the airport must be airline agnostic and should be based on the best interests of the airport and the City over the long term.

The proposed caps are based on forecasted passenger volumes and local road capacity. Increases to the cap levels are tied to improvements and investments in groundside infrastructure, and improved performance of other modes of transportation to BBTCA such as transit and shuttle bus.

The City requires confidence that the other signatories to the Tripartite Agreement will deliver on a commitment to co-develop a growth management framework for BBTCA with the City. In addition to caps at the airport, the City will require commitments from the TPA and Transport Canada to address issues such as noise management, traffic, flight paths, chemical/fuel management, community improvements, ongoing consultation, curfew hours, and other matters that have been identified as measures to improve conditions for the adjacent neighbourhood and waterfront community. These issues must be addressed prior to Council's consideration of any amendments to permit jet-powered aircraft and runway extensions at the airport.

The recommendations contained within this report outline a stepped process for entering into negotiations with the signatories to amend the Tripartite Agreement. The first step would be for Council to authorize staff to enter into negotiations. Once this is complete, the City would secure letters from the TPA and Transport Canada that confirm their willingness to negotiate the required Tripartite Agreement amendments. In the case of the

TPA, the agency would also commit to satisfy the conditions precedent associated with Phase One of the framework.

The TPA, working collaboratively with the City and Transport Canada, would then deliver on the conditions precedent associated with Phase Two of the framework. This Phase includes a significant amount of work to be undertaken by the TPA in conjunction with Transport Canada. The TPA would complete a new Airport Master Plan, undertake an environmental assessment, prepare a detailed runway design that confirms the position of the MEZ and continued compliance with the NEF 25 Contour.

Together then, the City, TPA and Transport Canada would negotiate proposed changes to the Tripartite Agreement. Staff would report back to Council on the results of the negotiations in a comprehensive report on the final framework for phasing with caps (and conditions precedent). This framework would replace the current jet and runway extension bans.

Phase Three negotiations would be more complex and, consequently, would take some time to resolve. The parties would have to integrate future plans for BBTCA with those for the Canada Malting site and Western Waterfront LRT. Phase Three negotiations would benefit from the monitoring of Phase Two operations and will be informed by the experience of the jets in practice. The City would be looking to see demonstrated improvement to airport operations as it affects the community and the traffic and pedestrian circulation in the area. Phase Three would involve a further staff report to Council on proposed amendments to the Tripartite Agreement, including securing the necessary funding for groundside transportation and community infrastructure, and consideration of revising the 2033 timeframe to a date necessary to recover such costs.

There are significant studies that the TPA must complete such as the environmental assessment, detailed runway design and updated airport master plan before staff could recommend any amendments to the Tripartite Agreement. This work will take the rest of 2014 to complete. A report to Council would target 2015. Further, certification of the Bombardier CS-100 aircraft is not expected until 2015.

**Table 1: Summary of Proposed Phased Framework for Managing Growth**

<b>April 2014 Council Authorization to Negotiate</b>
<b>Upon Receipt of Letters from TPA and Transport Canada Confirming Engagement</b>
<ul style="list-style-type: none"><li>▪ caps BBTCA to 2.4 million O/D passengers and 202 daily flight slots under existing runway and aircraft permissions, with hourly flight and slot caps;</li></ul>

<b>Phase One</b>	Address Current Operational Impacts	<ul style="list-style-type: none"> <li>▪ commencement of an updated Airport Master Plan, environmental assessment for runway extensions, area planning study and detailed runway design;</li> <li>▪ requirement for a series of immediate operational impact mitigation strategies to improve traffic, environmental impacts and noise management; and</li> <li>▪ requirement for an improved community engagement and accountability strategy for the airport.</li> </ul>
<b>Phase Two</b>	Provide Details of Runway Extension and Jet Proposal  Negotiate Tripartite Agreement Amendments	<ul style="list-style-type: none"> <li>▪ complete an updated Airport Master Plan, area planning study and any required Official Plan Amendments;</li> <li>▪ complete environmental assessment of runway extensions, runway design accepted by Transport Canada;</li> <li>▪ confirmation of no material impact to Marine Exclusion Zones;</li> <li>▪ confirmation of groundside infrastructure and community benefit funding; and</li> <li>▪ certification of CS-100 aircraft for use at BBTCA.</li> </ul>
<p><b>Staff Report Back to Council to Authorize Tripartite Agreement Amendments to Permit Jets and Runway Extensions, with Conditions</b></p> <p>If approved by Council, satisfaction of all Phase 2 conditions would result in permissions for runway extensions and jet aircraft operation at BBTCA provided:</p> <ul style="list-style-type: none"> <li>▪ annual passengers are capped at 2.7 million O/D passengers and daily flight slots to 202, with hourly passenger and slot caps; and</li> <li>▪ Council approves the implementing Tripartite Agreement amendments.</li> </ul>		
<b>Phase Three</b>	Long-term Growth Management	<ul style="list-style-type: none"> <li>▪ advancement of long-term transit improvements, including Western Waterfront LRT plans;</li> <li>▪ confirmation of Canada Malting Site plans;</li> <li>▪ funding for additional groundside traffic and community improvements; and</li> <li>▪ review of Tripartite Agreement extension beyond 2033.</li> </ul>
<p><b>Staff Report Back to Council to Authorize Tripartite Agreement Amendments to Permit Increases to Caps</b></p> <ul style="list-style-type: none"> <li>▪ new caps: annual and peak hour passenger, and daily and peak hour slot (to be determined through Airport Master Planning process); and</li> <li>▪ Tripartite Agreement amendments would require Council approval.</li> </ul>		

Staff have discussed the phasing framework with the TPA and Porter Airlines but there is no agreement yet on the terms and conditions. As well, Transport Canada, the public and airport stakeholders have not had the opportunity to review the proposed phasing framework and conditions. Any advancement of this framework would require not only the agreement of the Tripartite Agreement signatories but also comprehensive public and stakeholder input. Robust public and stakeholder consultation consistent with the standard in the waterfront is essential.

In response to the November 2013 staff report, the TPA and Porter Airlines have, since December, engaged staff in a series of positive discussions related to transportation issues, operations and passenger volumes caps. These discussions resulted in the TPA's

submissions to the City on January 24, 2014 (attached to the January 30, 2014 staff report) and February 27, 2014 (attached at Appendix 1). The TPA's investment into the temporary taxi staging facility on the Canada Malting site has resulted in improved traffic conditions on Eireann Quay. In addition, the TPA has directly engaged with the Toronto District School Board to address traffic and safety concerns, and has resolved the Payment in Lieu of Taxes (PILTs) issue for the BBTCA with the City.

## **RECOMMENDATIONS**

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The Deputy City Manager, Cluster B recommends that:

1. City Council authorize the Deputy City Manager, Cluster B to negotiate with the Toronto Port Authority and Transport Canada the following phased framework for managing growth at Billy Bishop Toronto City Airport:
  - a. Phase One:
    - i. annual origin/destination passenger cap of 2.4 million;
    - ii. peak hour flight (slot) cap of 16;
    - iii. peak hour origin/destination passenger cap of 884; and
    - iv. daily flight (slot) cap of 202.
  - b. Phase Two:
    - i. annual origin/destination passenger cap of 2.7 million;
    - ii. peak hour flight (slot) cap of 20;
    - iii. peak hour origin/destination passenger cap of 1,178; and
    - iv. daily flight (slot) cap of 202.
  - c. Phase Three: passenger and flight (slot) caps, based on transportation capacity, community impacts and experience with the Phases One and Two.
  
2. City Council authorize the Deputy City Manager, Cluster B, to negotiate with the Toronto Port Authority and Transport Canada the conditions precedent of the phased framework for managing growth at Billy Bishop Toronto City Airport, that include but are not limited to:
  - a. Phase One:
    - i. commencement of an Airport Master Plan, runway extensions environmental assessment and runway extensions detailed design;
    - ii. implementation of the following measures:
      1. implementation of passenger wayfinding and route planning tools for users of the airport;
      2. taxi operational adjustments to achieve increased passenger efficiency;
      3. enhancement of shuttle service to achieve an increased modal split and regular monitoring and reporting of shuttle usage to the City;
      4. implementation of traffic monitoring for Eireann Quay and reporting to the City;

5. implementation of an airport noise monitoring system and reporting protocol;
  6. implementation of restrictions on ground-based airport noise;
  7. review of deicing and chemical management programs;
  8. implementation of air quality monitoring and reporting to the City;
  9. construction of aircraft run-up barrier or enclosure and alternate procedures for mitigating run-up noise in the interim;
- iii. a robust plan for public and stakeholder input into all planning exercises, including the Airport Master Plan and runway extensions environmental assessment;
  - iv. participation in the Official Plan review and Bathurst Quay Precinct Plan study process (to be led by the City); and
  - v. Toronto Port Authority and Transport Canada letters to confirm full participation in the above.
- b. Phase Two:
- i. amendments to the Tripartite Agreement to require annual Noise Exposure Forecast monitoring and reporting by Transport Canada to the City;
  - ii. completion of a new Airport Master Plan by the Toronto Port Authority, aligned with the City's new Bathurst Quay Precinct Plan and Official Plan;
  - iii. a revised set of Official Plan policies for the airport;
  - iv. completion of an environmental assessment for the proposed runway extensions consistent with the letter dated February 27, 2014 from the Toronto Port Authority, with scope and components to be finalized to the City's satisfaction;
  - v. a final Code 3 airport runway design, including all modifications to airside facilities, acceptable to Transport Canada, with no changes to the airport's Marine Exclusion Zones as currently configured, that would materially encroach on the Western Shipping Channel;
  - vi. certification of the Bombardier CS-100 or similar aircraft for operation at Billy Bishop Toronto City Airport, and confirmation that such aircraft would meet the noise restrictions contained in the Tripartite Agreement, secured through provision of a remodelled Noise Exposure Forecast 25 Contour;
  - vii. funding for groundside traffic and community infrastructure improvements, to the agreement of all parties and in keeping with the findings of the Billy Bishop Toronto City Airport review, Eireann Quay Strategic Transportation Study and Bathurst Quay Precinct Plan;
  - viii. endowment of a community benefit fund for public realm improvements, housing noise reduction retrofits, and any other noise reduction opportunities;

- ix. construction management plans for the proposed runway extensions and related work, designed to mitigate community impact (especially overnight);
  - x. mechanisms for airport operations monitoring and dispute resolution;
  - xi. enhanced remedies for non-compliance; and
  - xii. such other terms and conditions as deemed necessary by the Deputy City Manager, Cluster B, in consultation with the City Solicitor.
- c. Phase Three:
- i. funding for additional groundside traffic and community infrastructure improvements, to the agreement of all parties;
  - ii. advancement of, and coordination with, appropriate public transit improvements, including the Western Waterfront Light Rail Transit;
  - iii. coordination of transportation infrastructure to improve access and egress of airport passengers with plans for the Canada Malting site redevelopment; and
  - iv. such other terms and conditions as deemed necessary by the Deputy City Manager, Cluster B, in consultation with the City Solicitor.
3. Council request the Toronto Port Authority to submit a letter confirming the agency's commitment to managing growth at Billy Bishop Toronto City Airport through caps and phasing. The Toronto Port Authority should confirm:
    - a. its commitment to satisfy the conditions precedent for Phase One; and
    - b. its willingness to negotiate required Tripartite Agreement amendments and any other agreements for Phase Two and Phase Three approvals.
  4. Council request the Government of Canada (represented by the Minister of Transport) to submit a letter confirming the government's commitment to managing growth at Billy Bishop Toronto City Airport through caps and phasing, and their engagement in negotiating required Tripartite Agreement amendments for Phase Two and Phase Three approvals.
  5. City Council request the Deputy City Manager, Cluster B, to report back to the Executive Committee with the outcome of the negotiations including all recommended Tripartite Agreement amendments.
  6. City Council request the Deputy City Manager, Cluster B, to undertake further studies and consultations that may be necessary arising from this review.
  7. City Council request the Chief Planner to report back to Planning and Growth Management Committee and Council on alignment of the Airport Master Plan with the City's policies and objectives, the Official Plan and the Bathurst Quay Precinct Plan; and

8. That the Executive Committee receive for information all recommendations from the November 21, 2013 staff report on Billy Bishop Toronto City Airport.

### **Financial Impact**

The recommendations contained in this report have no financial impact.

### **DECISION HISTORY**

On December 5, 2013, staff provided a comprehensive report to Executive Committee describing the history, staff and consultant team findings, and the public consultation process on this matter, with a series of recommendations. The Executive Committee deferred consideration of the report and public presentations to the February 4, 2014 Executive Committee meeting, or to a special meeting at the call of the Chair.

<http://www.toronto.ca/legdocs/mmis/2013/ex/bgrd/backgroundfile-64318.pdf>

On December 9, 2013, the Medical Officer of Health provided a final report to the Toronto Board of Health on the health impact assessment conducted respecting the proposed BBTCA jet and runway extension plan. The Board of Health adopted the recommendations in the report, and in addition recommended that the proposed BBTCA expansion and introduction of jet aircraft be rejected, the strategic transportation study previously initiated for Eireann Quay be completed, and that Toronto Water inspect BBTCA's ethylene glycol containment and stormwater run-off systems to ensure compliance with City by-laws.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2013.HL27.3>

On February 4, 2014, staff provided a further update to Executive Committee on additional information received from the Toronto Port Authority following the December 2013 deferral, and recommended deferring this matter to March, 2014.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2014.EX38.1>

### **ISSUE BACKGROUND**

This report provides an update to Executive Committee on the continued review of Porter Airlines' April 2013 request to amend the Tripartite Agreement to permit jets and extend the main east-west runway at BBTCA.



### *Public Consultation*

Staff scheduled two additional public consultation meetings, on January 27, 2014 and February 25, 2014. These meetings were well attended, with approximately 600 people in Toronto's City Hall Council Chambers and an overflow room on January 27 and approximately 250 people in the Sir Wilfrid Laurier Collegiate auditorium in Scarborough on February 25.

At both consultation meetings, the format included brief presentations from the City, Transport Canada and the Toronto Port Authority on their review of the BBTCA jet and runway extension proposal. In Scarborough, Porter Airlines and NoJetsTO were invited by the host councillors to make a presentation. All presentations, as well as a summary of the public comments, are posted on the review website at [www.toronto.ca/bbtca\\_review](http://www.toronto.ca/bbtca_review).

Many meeting participants had reviewed the consultants' reports, December staff reports to Executive Committee and the Toronto Board of Health, and the TPA's responses to the consultants' reports and public consultation posted on January 24, 2014. The trend over the course of consultation on this matter has been polarized opinions with a majority of meeting attendees opposed to jets and runway extensions at BBTCA.

### *Report from the City Solicitor*

At the request of the Toronto and East York Community Council Subcommittee to Review Billy Bishop Airport Consultant Reports at its December 3, 2013 meeting, Legal Services is preparing an information report to the April 1-2, 2014 Council meeting that responds to legal points in a submission made to the Subcommittee by the Lake Ontario Waterkeepers.

## **COMMENTS**

According to the TPA's economic impact consultants, InterVISTAS Consulting Group, the airport generates 5,700 jobs, including 1,700 directly associated with the airport, \$640 million in gross domestic product, and has "resulted in the airport playing a significant role in providing critical regional and continental transportation linkages to support and grow Toronto's economy". A 2014 study by University of Toronto researchers Ambarish Chandra and Mara Lederman entitled "The effects of Porter Airlines' Expansion" found that Porter Airlines' presence on domestic (Canadian) airline routes increases the number of passengers by 20% and is associated with a 25% drop in average fares. The researchers found that this impact increases with transborder (American) routes, with an over 30% increase in passengers and 32% reduction in fares associated with Porters Airlines' entry.

The economic importance of BBTCA to the city has been well established. The airport is well used by the city's business community for its efficient and convenient connections

between downtown Toronto and key business centres in the north east. The airport is a unique attribute that sets Toronto apart from competing cities. Efficient connections between cities is an important driver of economic growth and trade.

The key focus areas respecting growth at BBTCA remain consistent with those identified in the November 2013 report. First, proposals for significant physical and passenger volume growth of an airport in a downtown area and on an active waterfront must consider the fit of the airport within its surroundings. Second, in assessing the changes proposed at BBTCA, the number of passengers, flights and required infrastructure are more important considerations than the aircraft technology used, since these lead to impacts on the surrounding neighbourhood and define the scale of the airport. Any new aircraft technology must comply with the aircraft noise restrictions contained within the Tripartite Agreement before becoming operational at the airport. Third, it is vital that a framework be established to evaluate and manage growth at BBTCA. To date, the existing jet ban has been a de facto control on growth, however, a forward-looking and comprehensive framework is needed for the future.

Since December 2013, there has been progress on each of these focus areas following the TPA's decision to fully engage in the review. The following discussion illustrates this, and also acts as the framework for how staff have developed the recommendations within this report.

Key information remains outstanding, and Council should not authorize amendments to permit runway extensions or jets in advance of receiving it. In particular, a survey-based, scaled plan to show the proposed runway extensions and any related airport footprint expansions is required to complete the Airport Master Plan, the environmental assessments, and to confirm any impacts on the Marine Exclusion Zone and the broader Central Waterfront area.

## **1. Fit of the Airport within Downtown and Central Waterfront**

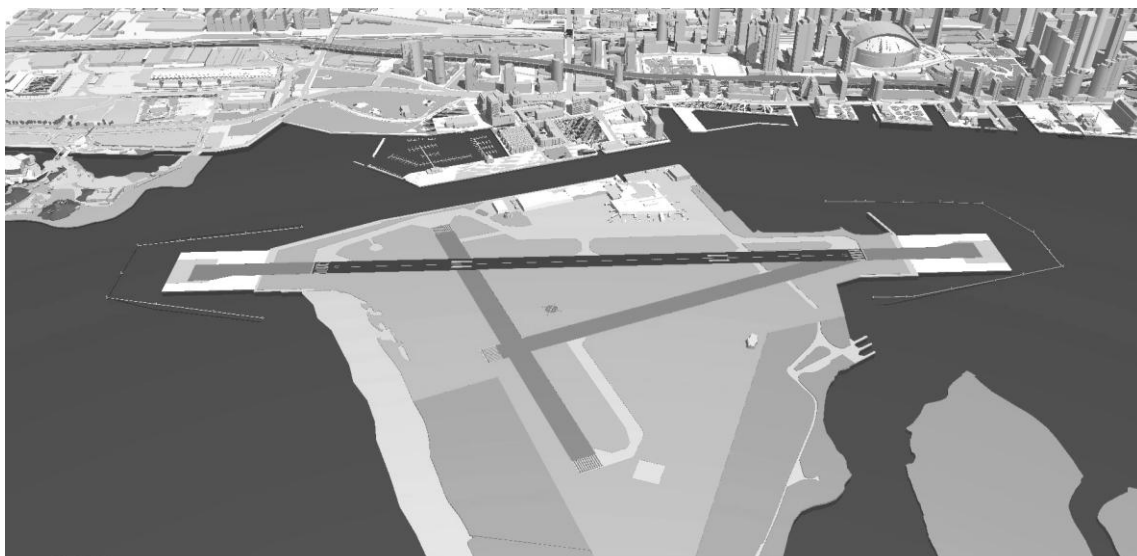
It is understood that Porter Airlines has fundamentally changed the nature of BBTCA since its launch in 2006. A small, general aviation-focussed airport has, in six years, grown exponentially from 26,000 annual passengers to 2.3 million annual passengers, becoming the ninth busiest airport in Canada. The growth at BBTCA has far exceeded projections. The highest annual passenger growth contemplated prior to Porter Airlines' launch was envisioned at 800,000 annual total passengers.

One of BBTCA's most significant attributes, its proximity to Toronto's downtown and waterfront, is also its most significant constraint. While airport growth has capitalized on convenience and proximity to downtown, maintaining this advantage requires groundside investment, management of flight and passenger volumes, and a responsive community engagement and impact mitigation strategy.

Any further expansion must have regard for the scale, scope and fit of the airport in the Central Waterfront. An increase in airport operations combined with an expansion of airside infrastructure (such as runways and taxiways) could have a negative effect on the waterfront community, adjacent parks and other amenities. To assist staff in establishing the physical impact of the proposed expansion, the City's planning consultants, Urban Strategies, prepared a series of renderings to conceptualize the scale of the proposal expansion.

As shown in Figure 1 below, 200 metre runway extensions are to be contained within the Marine Exclusion Zones, but the effect of bringing aircraft closer to key recreational amenities such as Ontario Place, the Music Garden/HTO Park, the Toronto Islands, and the Inner Harbour remains a concern for staff. Currently multiple Q400 aircraft have been at times observed idling at the end of the existing runway waiting for authorization for departure. This idling has significant air and noise impacts on the waterfront that will be exacerbated by the proposed runway extensions.

**Figure 1: Conceptual Model of 200m Runway Extensions**



URBAN STRATEGIES INC. DRAFT BBTCA Review Computer Model Still Image  
View 6: 200m runway extensions from the south  
November 28, 2013

### *Confirmation of the Marine Exclusion Zones*

City Council directed staff to, "exclude any consideration of either a runway or an extension of the MEZ as currently configured, that would materially encroach upon the western shipping channel". In accordance with Council's direction, staff have requested confirmation from the TPA and Transport Canada that the proposed runway extensions do not materially impact the Marine Exclusion Zones. Transport Canada provided a response to the City's request on March 7, 2014 (at Appendix 2) stating that it has received two preliminary submissions from the TPA and provided feedback on each submission. The letter concludes that there is insufficient information available to

confirm whether impacts to the MEZ will be material, and that the City should request this confirmation directly from the TPA. Staff have received a copy of the TPA's initial submission but not Transport Canada's responses to the TPA. Staff have not received confirmation on whether there will be material impacts to the MEZ from the TPA or Transport Canada.

#### *Airport Master Plan 2012 Draft*

Following the deferral of the staff report in December, the TPA provided staff with a copy of its draft June 2012 Airport Master Plan. This plan predates the current proposal to extend runways and allow jets at BBTCA, and focuses on maximizing commercial operations under the existing Tripartite Agreement permissions. It envisions closure of the north-south Runway 15-33 (currently used less than 5% of the time), improvements to the remaining main runways, and continued increases in aircraft load factors leading to an eventual passenger forecast of approximately 3.6 million annually. Staff believe that a requirement for an Airport Master Plan, updated every 5 years, is an appropriate inclusion in the Tripartite Agreement if amendments are pursued.

#### *Environmental Assessment*

In correspondence also dated February 27, 2014 (attached at Appendix 3), the TPA articulated a proposed environmental assessment process and timelines in the event of approval of the BBTCA jets and runway extensions request. Staff are reviewing this proposal, in consultation with Legal and Public Works and Infrastructure staff teams. The TPA's proposal is a positive step towards commencement of environmental assessment, the completion of which is a precondition to staff recommending any Council approval of jets and runway extensions at BBTCA.

#### *City Planning Policy*

The Official Plan designates the airport lands as *Parks* and *Natural Areas* and it recognizes the airport through Site and Area Specific Policy No. 194. This policy permits the aviation uses at the airport in accordance with the provisions of the Tripartite Agreement (the Lease). Section (c) of the policy does permit revisions to the Lease provided that, "the City is satisfied that improvements to the airport facilities and operations can be made without adverse impact on the surrounding residential and recreational environment".

This policy framework does not provide enough direction on the scale, scope and fit of the airport in relation to its context, or clear direction on management of the airport. Staff recommend that the Chief Planner undertake a review of the Official Plan policies applicable to the airport culminating in recommendations for Official Plan Amendments that provide direction for aligning the ongoing airport use with the City's policies and objectives for the waterfront.

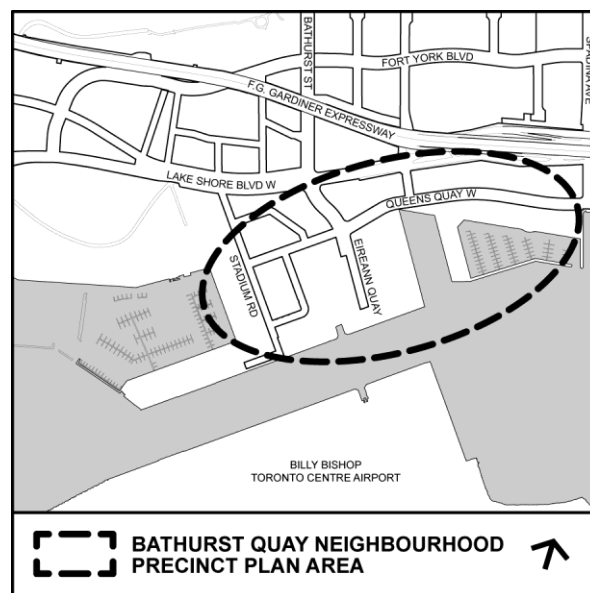
To initiate this Official Plan review of airport policies, City Planning staff are commencing a precinct planning study for the Bathurst Quay neighbourhood. This study will include updated site and area specific policies respecting BBTCA and will consider the City's economic goals and an updated Airport Master Plan (to be provided by the TPA). The completion of this study is desirable and appropriate with or without permission for jets and runway extensions at BBTCA.

The study will focus on the Central Waterfront Secondary Plan area generally bounded by the eastern edge of Coronation Park, Lake Shore Boulevard West, the western edge of the Music Garden and Lake Ontario, as shown in Figure 2.

The planning study will, in consultation with key stakeholders (including community members, Waterfront Toronto, the TPA and Build Toronto), assess opportunities and constraints for this unique area, which includes:

- an established neighbourhood;
- significant co-operative and social housing populations;
- two co-located public schools;
- a community centre;
- the Canada Malting Silos significant heritage site;
- parks;
- the gateway to BBTCA on Eireann Quay;
- community facilities; and
- possible development parcels.

**Figure 2: Precinct Plan Area**



The study will focus on existing and proposed green spaces and green space linkages, potential future development options for the Canada Malting site, and the role and options for the Waterfront School, the City School and the Harbourfront Community Centre in the neighbourhood, and the airport lands. In addition, the study will consider the impact of the proposed runway extensions on Central Waterfront, including the waterfront parks system. It will incorporate the Eireann Quay Strategic Transportation Study, and will consider both the existing groundside impacts of the BBTCA and the potential impacts of an expanded airport. It will also integrate information arising through the TPA's updated Airport Master Plan for BBTCA, which will be produced concurrently and in alignment with the Precinct Plan.

The study will rely partly on the studies that have been completed on behalf of the City as part of the BBTCA Review. These studies include the Preliminary Land Use Evaluation, BBTCA Expansion Review Summary Report, the Urban Planning and Design Assessment of Potential Impacts and Mitigation Measures Summary, the Transportation

Assessment of Proposed Jet Activity Summary Report, and the Health Impact Assessment Report. These studies provide a good foundation from which the Bathurst Quay Neighbourhood Precinct Plan can proceed.

Public consultation with nearby schools, the community centre, residents' associations, and the airport's operator and tenants, as well as residents who live and work in the study area, will be a key component. The study is proposed to begin in April 2014, and will be completed in early 2015.

#### *Other Issues to be Addressed*

In addition to the issues described above, there are a number of other issues that should be addressed prior to amending the Tripartite Agreement. These include a series of required transportation, noise management, community benefit and environmental performance conditions, along with other matters identified through the course of review, including:

- a review of the bird strike and wildlife management plan for the airport and adjacent lands;
- an agreement on limits to engine run-ups on weekends and holidays, implementation of advanced aircraft navigation at BBTCA (Required Navigation Performance, or "RNP");
- an update of the airport Emergency Services and Response Plan; and
- a review of the Airport Community Liaison Committee.

In addition, the review of encumbrances and easements on lands around the airport and Bathurst Quay should be completed to confirm that these encumbrances are consistent with any new plans for the area. Certain of these issues are articulated in more detail below.

## **2. Infrastructure Required to Accommodate Growth**

The review of existing and projected traffic conditions on Eireann Quay by BA Group recommended various transportation and public realm options to address congestion around the airport. Some of these options originated from the BBTCA and Eireann Quay Strategic Transportation Study in 2012. These options include:

- new transit service directly to the airport;
- tunnels to the airport to accommodate either transit, pedestrians or cars;
- a pedestrian bridge over Dan Leckie Way to create a safe school-park connection; and
- an extended westbound left turn lane on Lake Shore Blvd. at Dan Leckie Way, and possibly the creation of a new road extension of Dan Leckie Way (with some lake filling and/or decking).

The review acknowledged that these options had significant impacts on the public realm, required environmental assessments, and needed to be done as a suite of measures to address both road and transit capacity. BA Group also provided order of magnitude costing for the improvements, linking such improvements to peak hour passenger growth thresholds. As an alternative to these significant infrastructure investments, passenger volume caps on airport growth were suggested as a more reasonable approach to reducing peak hour traffic congestion at and around the airport.

*Development of Peak Hour Passenger Projections*

In January, staff engaged in discussions with the TPA and their aviation consultants, WSP, on a peak hour forecast for O/D passenger activity at BBTCA WSP provided (Table 2). The three-phase forecast provided estimates on peak hour passenger volumes in the event that jet aircraft were permitted at the airport.

**Table 2: WSP Peak Hour O/D Passenger Projections**

Passenger Type	Phase 1			Phase 2			Phase 3		
	Q400	CS-100	Total	Q400	CS-100	Total	Q400	CS-100	Total
O/D	884	0	884	727	451	1,178	778	562	1,340
Connecting	181	0	181	205	127	332	288	208	496
Total Passengers	1,065	0	1,065	932	578	1,510	1,066	770	1,836

By capping peak hour passenger volumes, airport growth can be linked to the capacity of the local road network and transportation modes. Phasing increases to the caps allows for linkages to corresponding infrastructure and investment thresholds, to be provided on an as-needed basis and to allow for long term capital planning tied to airport passenger growth.

*A Phased Approach: Linking Passenger Growth at BBTCA to Local Capacity and New Investment*

Dillon Consulting reviewed the peak hour passenger forecast and developed a framework to tie airport peak hour passenger growth to a phased series of caps and investments. Under this framework, progression between phases (i.e. increases in caps) would be permitted subject to the TPA's fulfillment of articulated conditions and financial obligations (including specific transportation infrastructure and community impact mitigation strategies).

For the purposes of the transportation infrastructure work, the required improvements for Phases One and Two are merged. Staff recommends that quick-start transit-focused operational improvements should commence immediately. Interim improvements to the Canada Malting Site would also logically occur during this period, if such occur.

Staff, in consultation with BA Group, have reviewed Dillon's Draft Memo and agree with many of its suggestions on phased transportation improvements. The City's priority, however, would be to concentrate pedestrian, public realm and transit mode shift improvements in Phases One and Two. Phase Three, should it proceed, would be dependant on significant transit improvements and local infrastructure investment. Phases are additive and require ongoing compliance by TPA with previously agreed-to conditions.

Through these discussions, staff are suggesting that transportation infrastructure improvements could occur linked to, and as preconditions to, airport growth phases as follows:

**Table 3: Transportation Improvements linked to BBTCA Growth Phases**

<b>Timeframe</b>	<b>Improvement</b>	<b>Purpose</b>	<b>Cost</b>
Immediately, and/or as part of Phase 1	Additional passenger wayfinding and route planning tools, such as route planning information displays	Provide real-time information on travel time and cost associated with trips to key destinations by TTC, bicycle, foot, shuttle, taxi	\$50,000 plus software integration costs
	Enhanced traffic monitoring and reporting	Provide clear information on Eireann Quay traffic counts; camera monitoring could also be used for enhanced safety	Unknown – Operating Cost
	Taxi operational improvements	Reduce the number of driver-only trips and possible introduction of taxi-sharing methods	\$1 million
	Shuttle bus improvements	Provision of more frequent shuttles to additional destinations	\$3 to \$5 million
Preconditions to Phase 2 approval	Weather protection canopy and walkway improvements linking terminal to Queens Quay	Improve pedestrian/transit patron experience and amenity	\$2 million
	Pick-up and drop-off area in the upgraded, reallocated finger lot for private vehicles	Improved pick-up and drop-off to ease neighbourhood congestion and infiltration	\$1.5 million



<b>Timeframe</b>	<b>Improvement</b>	<b>Purpose</b>	<b>Cost</b>
	Improved TTC streetcar platform/interface (in coordination with ongoing City plans for Queens Quay and Western Waterfront LRTs)	Improved transit patron experience and amenity	\$1 million
	Eireann Quay and Queens Quay intersection improvements, including integration of bi-directional Martin Goodman Trail extension, improved land markings, signage, signal timing	Improve intersection safety and efficiency	\$1 to \$3.5 million
	Exploration of TTC Bus Route between BBTCA and Union Station, via Bremner Boulevard	Improved area transit service	Unknown – Operating Cost
	Dan Leckie Way/Lake Shore Boulevard Intersection Modification (E-S left turn modification)	Improved level of service at Bathurst/Lake Shore intersection during peak hours	\$3.5 million
Potential Phase 3 Approvals	Western Waterfront LRT and other area transit improvements	Provide improved transit service to BBTCA, Ontario Place, Exhibition Place, western waterfront	To be determined
	Potential Canada Malting Site comprehensive transportation solution	Could amalgamate transportation functions below grade as part of redevelopment	To be determined
	TTC Fare Integration	Improved modal split	Unknown – Operating Cost

This initial framework would need to be refined in consultation with the public and stakeholders, prior to Phase Two approvals taking effect. Preliminary order of magnitude costing has been discussed and it is anticipated Phases One and Two improvements, as well as interim Canada Malting Site alterations, may cost in the range of \$20-\$30 million. Phase Three improvements are more substantial and costs have not been estimated at this time.

On January 20, 2014, the Chair of the TPA sent a letter to Federal Ministers of Finance and Infrastructure requesting assistance in the amount of \$100 million for ground side infrastructure improvements. The letter was copied to Federal Minister of Transport and the Provincial Ministers of Transportation and Infrastructure. As of the date of this report, no response has been provided from the Federal or Provincial governments to the TPA's funding request. A copy of this letter is included in Appendix 1.

### *Canada Malting Site*

The City has leased a portion of the Canada Malting site lands to the TPA on a short-term basis, to provide an area for taxi staging and short-term parking during the construction of the pedestrian tunnel to BBTCA. This lease, as well as the accompanying Site Plan Memorandum of Understanding (MOU) between the TPA and the City which secured detailed design obligations, expires on June 30, 2015 without provision for extension. The TPA has requested that this lease be extended.

The lease and MOU were established with a firm sunset clause to ensure the Canada Malting site was not occupied for an extended duration, as that site has been transferred to Build Toronto for master planning and eventual redevelopment. Staff have spoken with City Real Estate and Build Toronto representatives and understand that this process is expected to take some time. Provided complementary arrangements can be made for a continued off-site location for Urban Forestry (currently accommodated in the TPA's Port Lands facility), an extension could be appropriate.

The current Canada Malting site taxi arrangement has improved the previous Finger Lot queuing. A long-term solution, which may be incorporated into redevelopment of the Canada Malting site or may require off-site arrangements, needs to be developed. In light of this, extending the existing lease and MOU for an additional two years will provide time for the necessary planning. Staff will be reporting on this matter to an upcoming Executive Committee meeting.

### *Existing Traffic Conditions Need a Solution*

Traffic impacts remain a significant issue for the airport and its local community. Eireann Quay, which terminates at the entrance to BBTCA, is the only vehicular access to the groundside airport terminal and the taxi queuing area on the Canada Malting site. At peak times, the local road network is chaotic and overwhelmed with airport traffic encroaching into the community.

The Bathurst Quay community is also significantly impacted by:

- the area's almost daily special events due to its proximity to key athletic, cultural and recreational amenities;
- the "peaking" of travellers arriving and disembarking simultaneously in batches by ferry;

- passengers arriving at traditionally quiet times, such as in late evening and on weekends (Sunday evenings are of particular concern for the community);
- temporary construction on Queens Quay for boulevard improvements; and
- temporary construction on Eireann Quay for the BBTCA passenger tunnel.

While the airport is easily accessible from the 509 Harbourfront streetcar route (once construction concludes and LRT service resumes), the connection along Eireann Quay could be made to be more pedestrian and luggage friendly. The peaking associated with the ferry will be improved with the completion of the pedestrian tunnel in January 2015, however, currently, nearly 50% of BBTCA's passengers travel to and from the airport by taxi, and a further 20% by private vehicle.

Staff's position is that a significant mode shift away from private vehicles and a reduction in the number of taxi trips is the only means to resolve groundside transportation issues. Staff will be reviewing monitoring data to confirm mode shift is improving at BBTCA, with a target of more than 35% of BBTCA passengers accessing the airport by transit/shuttle/pedestrian/bike. Staff will also be seeking to impose an hourly cap on the number of vehicles on Eireann Quay at 750, with penalties for overages.

### **3. Framework to Evaluate and Manage Growth**

BBTCA operates in accordance with a lease with conditions, the 1983 Tripartite Agreement between the City, the TPA and Transport Canada. This is an unusual structure: most other Canadian airports are operated by independent authorities on lands leased from the Federal government. Municipalities typically have little input into airport activities as aeronautics are a Federal matter. In the case of BBTCA, since the City owns lands, the Tripartite Agreement provides the City with greater input due to its role as landlord.

Among the provisions of the Tripartite Agreement are restrictions on:

- extension of runways or construction of new runways;
- expansion of the lands deemed to be the airport beyond those described in the Agreement's attached schedule;
- operation of jet-powered aircraft;
- operation of aircraft generating excessive noise (defined by Agreement); and
- operating hours, between 6:45am and 11:00pm.

If any amendments are implemented which affect current restrictions on jets and runway extensions contained in the Tripartite Agreement, staff are recommending companion amendments with safeguards to address the phased passenger number and flight slot caps, together with other operational obligations, enhanced remedies, and enforcement mechanisms. It is staff's opinion that amendments to the Tripartite Agreement are the most appropriate mechanism to manage growth at BBTCA, as this is the master lease

agreement under which the airport operates. A description of the framework for these amendments which has been discussed in preliminary stages follows.

### *Cap and Operational Limitations Precedents*

The City's aviation and planning consultants completed a review of comparable urban airports as part of their work. Key comparable airports that were examined were London City Airport in the UK, Bromma Stockholm Airport in Sweden, and George Best Belfast City Airport in Northern Ireland. These airports employ a range of aircraft movement, passenger, operational and noise caps and are located in urban or waterfront areas or in close proximity to sensitive uses.

The review of these airports confirmed that employing a tailored range of caps and operational limits is key to the effective management of airport impacts, particularly when the facility in question is located in close proximity to residential communities, sensitive land uses and environmentally sensitive areas. Each of these airports has unique constraints imposed by their contexts and, as such, regulators have designed limitations that address the individual constraints.

Appendix 4 includes a summary of the comparable airports reviewed by the City's consultants.

### *The Capping Framework*

Staff recommend that BBTCA should be subject to a variety of cap mechanisms in addition to the O/D peak hour passenger caps the TPA's consultant has prepared. The following types of caps are proposed:

1. Peak hour O/D (not including transferring passengers) passenger caps:
  - most relevant measure from a groundside traffic impacts perspective; and
  - would limit the number of people arriving to or leaving from BBTCA in a given hour.
2. Peak hour flight slot caps:
  - would relate to community impacts such as noise and emissions by limiting the number of planes which come and go from BBTCA in a given hour; and
  - currently voluntarily capped by the TPA at 16 slots/hour, as part of its NEF 25 compliance approach.
3. Annual O/D passenger caps:
  - a common measure used to describe the overall size of an airport; and
  - would function as a limitation on BBTCA's overall growth.
4. Daily flight slot caps:
  - similar to peak hour flight slot caps, relates to community impacts; and
  - currently voluntarily capped by the TPA at 202 slots/day as part of its NEF 25 compliance approach.

Under the preliminary framework put forward by staff, Phase One would cap annual passengers at BBTCA to 2.4 million O/D passengers under existing runway and aircraft permissions, and would require a series of immediate operational impact mitigation strategies aimed at matters such as traffic, emissions and noise management. This represents a modest increase beyond the 2012 2.0 million O/D passengers, reflecting the publicly stated request of Porter Airlines' CEO for a 20% increase in passengers. A community engagement strategy would be required.

Phase Two would cap annual passengers to 2.7 million O/D passengers, and, following completion of required design, planning and regulatory approval works, would result in an amendment to the Tripartite Agreement to permit jet aircraft operation at BBTCA on extended runways, subject to a range of operational limitations and monitored through performance standards, with penalties for non-compliance. Phase Three would contemplate a cap in excess of 2.7 million O/D passengers and an extension to the current 2033 expiry of the Tripartite Agreement, again subject to conditions. Phase Three, is conceptual at this time as there are many details related to this phase which require additional time and discussions to clarify.

On January 20, 2014, the Chair of the TPA sent a letter to Federal Ministers of Finance and Infrastructure requesting assistance in the amount of \$100 million for ground side infrastructure improvements. The letter was copied to Federal Minister of Transport and the Provincial Ministers of Transportation and Infrastructure. As of the date of this report, no response has been provided from the Federal or Provincial governments to the TPA's funding request. A copy of this letter is included in Appendix 1.

## **CONCLUSIONS**

This report has outlined the principles, terms and conditions that the City would seek to include in the Tripartite Agreement to implement a three-phased approach to growth management at BBTCA. If negotiations are authorized and all parties reach agreement, and the TPA clears all conditions precedent to Phase Two, the Tripartite Agreement would be amended to remove restrictions prohibiting jet-powered aircraft (without change to the current requirement to comply with the Tripartite Agreement noise restrictions) and runway extensions with a new system of passenger, flight slot and enhanced operational caps.

This new cap framework would better address the impacts of a growing airport within the City's Central Waterfront, and would provide for monitoring of performance as well as progressive discipline provisions in the event of non-compliance with airport regulations. If authorized by City Council through the recommendations in this report, staff will further develop a growth management plan for BBTCA and negotiate terms and conditions with the TPA and Transport Canada, and will report back to Council with the results of the negotiations and further recommendations.

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## **SIGNATURE**

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John W. Livey F.C.I.P  
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## **APPENDICES**

1. Toronto Port Authority Operational Commitments Memorandum, February 27, 2014
2. Transport Canada Correspondence, November 8, 2013 and March 7, 2014
3. Toronto Port Authority Environmental Assessment Memorandum, February 27, 2014
4. Airbiz Aviation Summary of Comparable Airports