

December 1, 2021

Sent by email to ecdc@toronto.ca

Members, City of Toronto Economic and Community Development Committee

City Hall, Toronto

Dear Councillors:

Re Island Airport Lands

We appreciated the opportunity to speak with you this morning.

We thought, given the brevity of our oral presentation, it would be useful to you to have our full presentation, annotated.

But first, we'd like to respond to two issues raised by Ports Toronto and Nieuport this morning – **Medevac**, and **US Customs Pre-clearance** – and one ignored by them – **Safety**.

1. Medevac

Port Toronto attempted to make much of the medevac service that the Island Airport provides.

As <u>this study</u> confirms, the **Island Airport is the wrong place** for the ORNGE helicopter service: more than half of its emergency destinations are north of the City, and operating from the Island Airport results in deteriorated response times for majority of patients during the critical initial minutes.

ORNGE should be stationed north of the city, and it certainly doesn't require an airport to operate its helicopters out of.

Patients requiring critical care do not arrive at the Airport. They are delivered directly to hospital heliports.

This issue was advanced as a reason to not close the Edmonton City Centre Airport, and did not stop the closure. Subsequently, a 2015 study concluded that **moving medevac** to the Edmonton International Airport **had no impact** on safety or the quality of care received by critically-ill and time sensitive patients.

2. <u>US Customs Pre-clearance</u>

As <u>this story</u> makes clear, currently the US government pays for customs pre clearance at Pearson, and other Canadian airports, but is unwilling to pay for the Island Airport.

US Customs staff costs for the Island Airport are estimated at \$10M per year, which has to be paid by someone. That's **\$25 per passenger.**

Our federal government has indicated it won't pay.

If funds were available, surely Pearson has a stronger case to make its pre-clearance more efficient, for the benefit of far more travellers.

Would Nieuport or Ports Toronto dig deep into their pockets for the money? Unlikely.

3. <u>Pearson is the Safer Choice</u>

Since the Air France flight ran off the end of the runway at Pearson in 2005, the Transport Safety Board has recommended 300 m Runway End Safety Areas. An ample and sufficient RESA at the Island Airport, which has **deep water off the ends of the runway**, would require extensions into both Humber Bay and the Inner Harbour which Ports Toronto has estimated¹ the cost at **\$50M to \$130M**.

It seems the impossibility of raising that sum with less than 12 years remaining on its lease is holding up the imposition of the minimum RESA safety standard on all major airports in the country.

And, if there is a crash, getting emergency vehicles to the crash site, **being on an island**, won't be easy. As then Ports Toronto CEO Lisa Raitt stated²:

"The fixed link (bridge) is a **public safety issue**. The need for a bridge to get emergency equipment to the airport quickly was identified by an intergovernmental committee almost 10 years ago." said Ms. Raitt. "In the event of an emergency, it could take up to two hours to get the appropriate equipment over to the island and that's not acceptable."

The intergovernmental committee's report she refers to <u>is here</u>, and has not, to our knowledge, been updated to reflect the larger Q400 aircraft now in use by Porter and Air Canada.

4. Our Full Presentation, Annotated

4.1 Parks Not Planes Background

We are a new organisation with representation from a number of community organisations concerned about waterfront issues., including Bathurst Quay Neighbourhood Association, York Quay Neighbourhood Association, Toronto Island Community Association CommunityAIR, NoJetsTO, and Waterfront for All.

4.2 The Opportunity and the Need

We came together to pursue a tantalizing opportunity: The City's one dollar per year 50 year lease to Ports Toronto of a significant portion of the Toronto Island Airport lands, **expires on June 30, 2033 - less than 12 years away**. There is no right of renewal.

The City's 2019 "Parkland Strategy Report" tells us that downtown Toronto is **more deficient in parkland** than any other area of the city, and its population continues to grow.

The system of parks must expand and improve as the city continues to transform and evolve to contribute to enhancing quality of life and a thriving economy, provide better access, and ensure a resilient and sustainable environment that supports people and wildlife alike.

We submit that the 215 acres of the Island Airport lands should be converted to a park and joined or merged with the Toronto Island Park to create **800 acres of public park** open to all citizens.

4.3 They Ignore Reality

We're here because both Ports Toronto and Newport Aviation ignore the reality of that lease expiry, and simply assume that you will do what they want without carefully weighing where the public interest lies.

The highest and best use of those extremely valuable publicly owned lands is certainly not as an airport.

There is ample capacity at Pearson and the Union Pearson Express makes it as easy to get to Pearson as to get to the Island Airport.

4.4 Airlines Using the Island Airport Fail

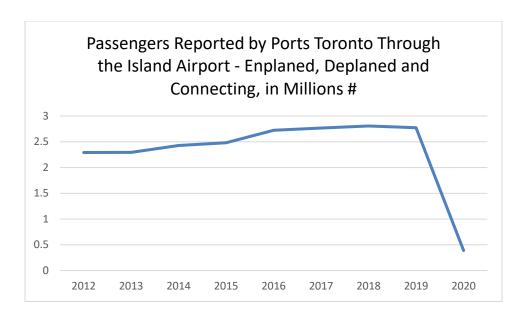
Three airlines have now attempted to make a go of it at the Island Airport: Air Ontario³, City Express⁴, and now Porter.

Thanks to litigation between Newport and Porter, we now know that even before COVID, **Porter was losing a lot of money** – \$19M in 2017, a projected \$40M in 2018⁵, and \$30M in 2019.

This is from a document prepared by Porter:

Profit & Loss Statement				
[in thousands of dollars, unrounded]	2018 Q1	2017 Q1	2017	Last Twelve Months
Passenger revenue	76,485	72,966	390,925	394,444
Other revenue	3,952	3,234	16,030	16,748
REVENUE	80,437	76,200	406,955	411,192
Aircraft fuel	16,459	13,670	64,498	67,287
Salaries, wages and benefits	22,105	20,902	84,202	85,406
Landing fees, ground handling and rent	2,208	28,035	116,204	90,378
Sales and Distribution	7,668	7,334	34,382	34,716
Depreciation	12,799	11,310	50,874	52,362
Navigation charges	4,057	3,943	16,764	16,878
Aircraft maintenance	4,503	3,549	16,432	17,385
Food, beverages and supplies	1,009	1,284	5,600	5,326
Other	9,770	9,063	36,909	37,616
EXPENSES	80,578	99,090	425,865	407,353
Income (loss) from Operations	(141)	(22,890)	(18,910)	3,840
EBITDA	12,658	(11,579)	31,964	56,202

The Island Airport's business has failed to materially grow since 2012.



Porter is drastically cutting its flights out of the Island Airport and looking to operate jets out of Pearson⁶.

No one has been able to run a financially successful passenger service out of the Island Airport.

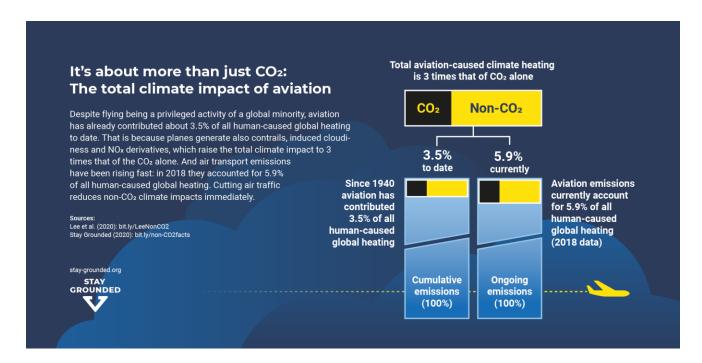
That is fact. The wishful thinking evident in Nieuport's predictions of significant growth are not based on reality.

4.5 Aviation and the Climate Crisis

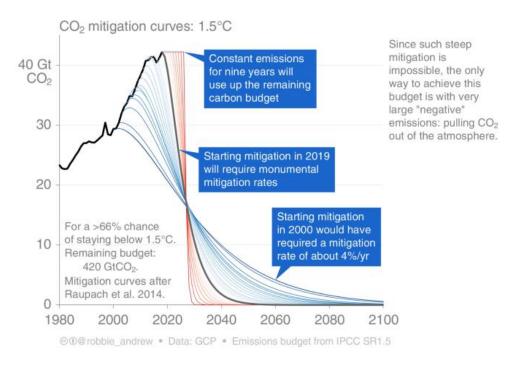
There's something else that both Ports Toronto and Nieuport choose to ignore.

Their rosy projections ignore the desperate need to drastically reduce our carbon emissions.

Aviation is a **significant and growing source of greenhouse gases:**



And the task is urgent – the longer we fail to act, the harder it will be to ensure a liveable planet:



Aviation is the only mode of transportation that cannot readily convert to electrical energy.

If we are to reduce the chances of more wildfires, more heat domes, and more flooding, **we need to fly a lot less** and choose vastly more environmentally friendly alternatives such as the forthcoming <u>High Frequency Rail</u>



4.6 Conclusion

The City can, and should, tell Nieuport and Ports Toronto that the lease will not be renewed

- because the need for parkland is far more important than their business operations, and
- because the climate crisis demands it.

We would be pleased to respond to any questions or concerns you might have.

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- ³ Air Ontario commenced its STOL service from the Airport in 1990, but also failed to find enough business. Its traffic declined steadily, with 2001 levels approximating 90,000, and 2002 levels projected at 80,000.
- ⁴ City Express operated STOL aircraft from the Island Airport from 1984, but ceased operating in 1991, when it became bankrupt.
- ⁵ From vol. 2 Porter Responding Record, <u>Nieuport v. Porter</u> Febraury 5, 2021: In a letter of December 21, 2018, Porter told Newport (page 1123)

"Increased ridership traction on UP Express has reduced the locational advantage that [the Island Airport] once had relative to Pearson

"In 2018 Porter is forecast to have a net income loss amounting to approximately \$39,650,000

"If Porter were to leave [the Island Airport], there appears to be no viable alternative for the airport. ... Given that the cost of operating from [the Island Airport] is almost 3 times that of Pearson we do not think it is likely that either Air Canada or Westjet would significantly expand operations to fill the gap that would be left if Porter exited the market"

⁶ On July 12, 2021, Porter Airlines announced it will purchase 30 Embraer E195-E2 aircraft with the right option to purchase an additional 50 jets. Porter intends to operate the jets out of Toronto's Pearson International Airport, as well as Ottawa, Montreal and Halifax.

¹ as revealed by Ports Toronto in its Addendum No. 1 dated April 27, 2021 to its Request for Interest - Billy Bishop Toronto City Airport Lease/Partnership, published on MERX

² In a press release on October 16, 2003