



City of Hamilton

AIRPORT SUB-COMMITTEE ADDENDUM

Meeting #: 24-001
Date: May 9, 2024
Time: 10:00 a.m.
Location: Council Chambers
Hamilton City Hall
71 Main Street West

Matt Gauthier Legislative Coordinator (905) 546-2424 ext. 6437

Pages

8. STAFF PRESENTATIONS

8.1 John C. Munro Hamilton International Airport Update

*a. John C. Munro Hamilton International Airport Update -
PRESENTATION

2

TradePort International Corporation & John C. Munro Hamilton International Airport **DELIVERING ON THE CITY OF HAMILTON'S VISION**



TradePort and the City Hamilton

Long-standing partnership with proven results that positions Hamilton International Airport well for growth and success



Shared Vision

Since 1996, TradePort **has delivered on the shared vision for Hamilton International**, building an airport with attractive flight options for passengers, growing into Canada's leading overnight express cargo airport and becoming a critical economic driver for the City and the region.



Global Experience

TradePort, owned and operated by Vantage Airport Group, **benefits from the strength, expertise and best practices from Vantage's global network**. For nearly 30 years, Vantage has been making airports more efficient, sustainable and connected to their communities.



Proven Partnership

Original lease agreement between TradePort and the City of Hamilton was signed in 1996, **allowing TradePort to operate, manage and invest in the Airport while providing the City with return** through several forms of payment, including rent.



Return on Investment

Hamilton International has become an economic engine for the City of Hamilton since 1996. TradePort and its partners have **generated \$7.8 million in rent and \$34.3 million in property tax revenue, along with \$452.6 million in infrastructure investments that vest back to the City**, translating to \$1.5 billion in economic value to Hamiltonians.

2023 Highlights



4,091 hours of service (+21% vs. PY) contributed by Airport Volunteers towards assisting passengers and guests



\$90,000+ of in-kind support and sponsorships to community partners and events

820,011 E/D Passengers (+27% to PY)

travelling to/from Hamilton International, which is home to multiple operators providing Canadians with access to several continents



\$1.4 million

Payments by TradePort to the City of Hamilton for rent and property tax



\$2.8 million

Property tax paid by YHM tenants to the City of Hamilton



4,700+ jobs

generated through Airport activity and growth in cargo and passenger segments



746 million kg in total landed cargo aircraft billable weight at Canada's largest overnight express cargo airport, representing a **5-year increase of 40%**



Hamilton International is the **third largest cargo airport** in Canada by payload with **158 million kg landed**



\$23.4 million

Federal funding received for infrastructure upgrades

\$452.6 million

Total Investment in infrastructure to date by TradePort and its partners



\$1.5 billion in

economic activity generated for the City through airport activity at Hamilton International



\$30.3 million

Investment in infrastructure made by TradePort in 2023



~86% of passengers reporting a positive experience, collected from a sample of ~25,000

INVESTING FOR THE FUTURE TRADEPORT'S CAPITAL INVESTMENTS AT YHM



9500

Investment that Drives Growth

Funding critical projects that enable stakeholder and partner development to meet the needs of opportunities today and to be ready for growth tomorrow

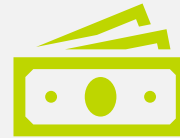
Total Capital Invested



\$453 million* of total direct capital investment over 28 years for passenger and cargo operations that includes:

- \$169 million investment in critical infrastructure by TradePort
- DHL's \$110 million international gateway facility
- Cargojet's significant investments in multiple facility expansions
- KF Aerospace's \$55 million wide body hangar facilities including Mohawk College academic facilities

2023 Investment



\$30 million of TradePort investment in infrastructure in 2023 including:

- Airfield Expansions of the runway turning bays, apron and taxiways to reduce bottlenecks for aircraft
- Strengthening and rehabilitation of airfield infrastructure to improve efficiency of operations
- Equipment replacements, including an Airport Rescue & Fire Fighting (ARFF) vehicle and snow equipment to ensure airline on-time performance

2024 Developments



Investments planned by TradePort for 2024 include:

- Stormwater treatment facility to alleviate use of municipal systems
- Taxiway, apron upgrades and rehabilitation
- New airline common use systems
- Environmental, Social and Governance projects
- Improvements to support and accommodate future HSR growth

Gateway Expansion and Sustainability Project

Reducing bottlenecks in a strategic transportation corridor critical to the supply chain

\$46.9 million total project costs with phasing over two years that ensures uninterrupted access to existing 24/7 operations with completion in December 2024



Work Completed

- ✓ **Expanded airfield and de-icing capacity** to increase common-use gate capacity by 125% and de-icing capacity by 200%
- ✓ **Widened taxiways** to alleviate critical capacity restrictions and ensure unrestricted airfield access for expanding fleets and aircraft sizes
- ✓ **New General Service Equipment Road** to reduce delays by providing road access parallel to major taxiway to separate aircraft and equipment's conflicting use

Work In-Progress

- ❑ **Airfield rehabilitation and modernization** to strengthen and improve infrastructure supporting our carriers, including the main apron and taxiways
- ❑ **Improving the stormwater management process**, including adding system capabilities onsite to treat residual glycol in stormwater

Passenger Service Development

Hamilton International continues to demonstrate a proven market for leisure travel with the launch of a new low-cost carrier and reaffirmed commitment from WestJet



Icelandic low-cost airline, PLAY, launched its first-ever flights in the Canadian market from Hamilton International in June 2023 with direct flights to its hub in Reykjavik where travelers may stay and explore or connect onwards to over 30 destinations across Europe.



AIR CANADA

On May 1, 2024, Air Canada launched its 6x daily luxury motorcoach service, via The Landline Company, from Hamilton International to Toronto Pearson. This innovative service will give passengers access to Air Canada's global network of destinations while still taking advantage of convenient, hassle-free experience of Hamilton International.



Hamilton International looks is continuing its long-standing partnership with the WestJet Group following the integration of Swoop in 2023 and future plans to integrate Sunwing.

Enhancing Airport Operations

TradePort has invested **\$2.3 million** in 2023 to ensure efficiency in its operations for today and tomorrow

Added a **fourth screening lane** to our pre-board screening process to reduce passenger queuing and wait times



Expanded washroom facilities in the Departures Lounge to enhance the passenger experience



Launched an **online parking reservation system** in May 2023 to give passengers the ability to reserve their parking spot in advance



Expanded the fleet with the purchase of a **new ARFF truck** to ensure that critical regulatory category coverage is maintained



Partner Investments at Hamilton International

- DHL expanded its sort facility and grew its operation, investing more to provide additional capacity for efficient outbound shipments while scheduling B777 activity from LAX to YHM following the opening of the new and expanded Apron project.
- Cargojet has integrated B767 flight simulator facilities in Hamilton to support and accelerate pilot training for its crews at home which before would take many months in the U.S, ensuring their operations are protected.
- KF Aerospace grew its maintenance, repair and modifications business, processing 50 aircraft for 10 customers, including major carriers such as Air Canada that have options for repairs overseas, but chose Hamilton.
- Prime Air, through its partnership with Cargojet, has successfully flown over 3,534 flights to and from the Airport since 2021, creating synergies with the 855,000 ft² Amazon Fulfillment Centre that was completed in 2022.



KF Aerospace's \$55 million expansion, including Mohawk College Hub



Prime Air Fleet at Hamilton International



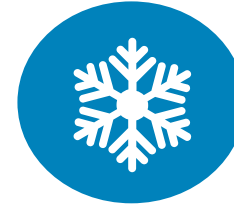
Customer Service That Drives Growth



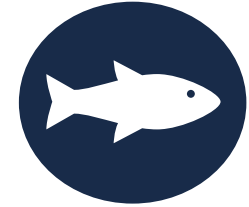
Early commissioning of the new Apron II North, to accommodate wide-body aircraft and new DHL B777 service / aircraft diversions from Cincinnati to Hamilton's DHL Hub and linking shipments from Los Angeles



Recent cargo stakeholder survey, in which 84% of cargo customers indicated they would recommend Hamilton as an airport to their partners, identified opportunities to strengthen service to the Airport's cargo customers



Creation of an additional four common use de-icing gates, an increase of 200%, to reduce a key stakeholder risk of de-icing bottlenecks and enable partners to meet their on-time performance commitments to customers

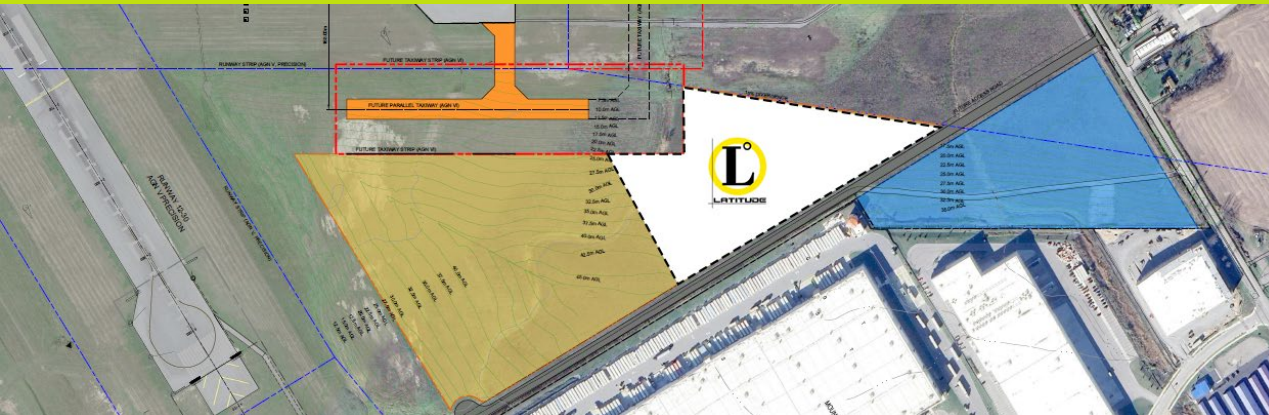


Advanced discussions with stakeholders and government officials to create the process that enabled belly cargo, which includes Icelandic seafood, that is now moved through Hamilton via PLAY

Airlines



Northeast Airport Developable Lands



Latitude Air Ambulance – New Facility Rendering



Land Development

Northeast Airport Development

- TradePort increased on-Airport developable land by 30 acres south of Dickenson Road. With 20 acres now available with airfield access, with demand is expected to be high, along with 10 acres of groundside support services available. Limited land exists and this new areas creates more options.
- Latitude Air Ambulance broke ground in December for new construction on a 44,000 ft2 facility on-Airport to expand its existing operations in a sustainable way, to support healthcare and create 50% more jobs.

NAV Canada Radar Feasibility Assessment

- TradePort contracted NAV Canada to assess the potential relocation of the Radar System to an alternate site. Today, this location constrains development of 70 acres of prime airside land.

2024 Passenger Destination Map*

Hamilton International attracts primarily leisure travellers with vacation plans in Canada, Florida, Mexico and the Caribbean, plus connections to Europe via Iceland



— Year-round route
 — Seasonal route

CANADA

Calgary, AB
 Halifax, NS
 St. John's, NL

UNITED STATES

Orlando, FL
 Tampa, FL

CARIBBEAN & MEXICO

Cancun, Mexico
 Punta Cana, Dominican
 Puerto Plata, Dominican
 Cayo Coco, Cuba
 Holguin, Cuba
 Varadero, Cuba

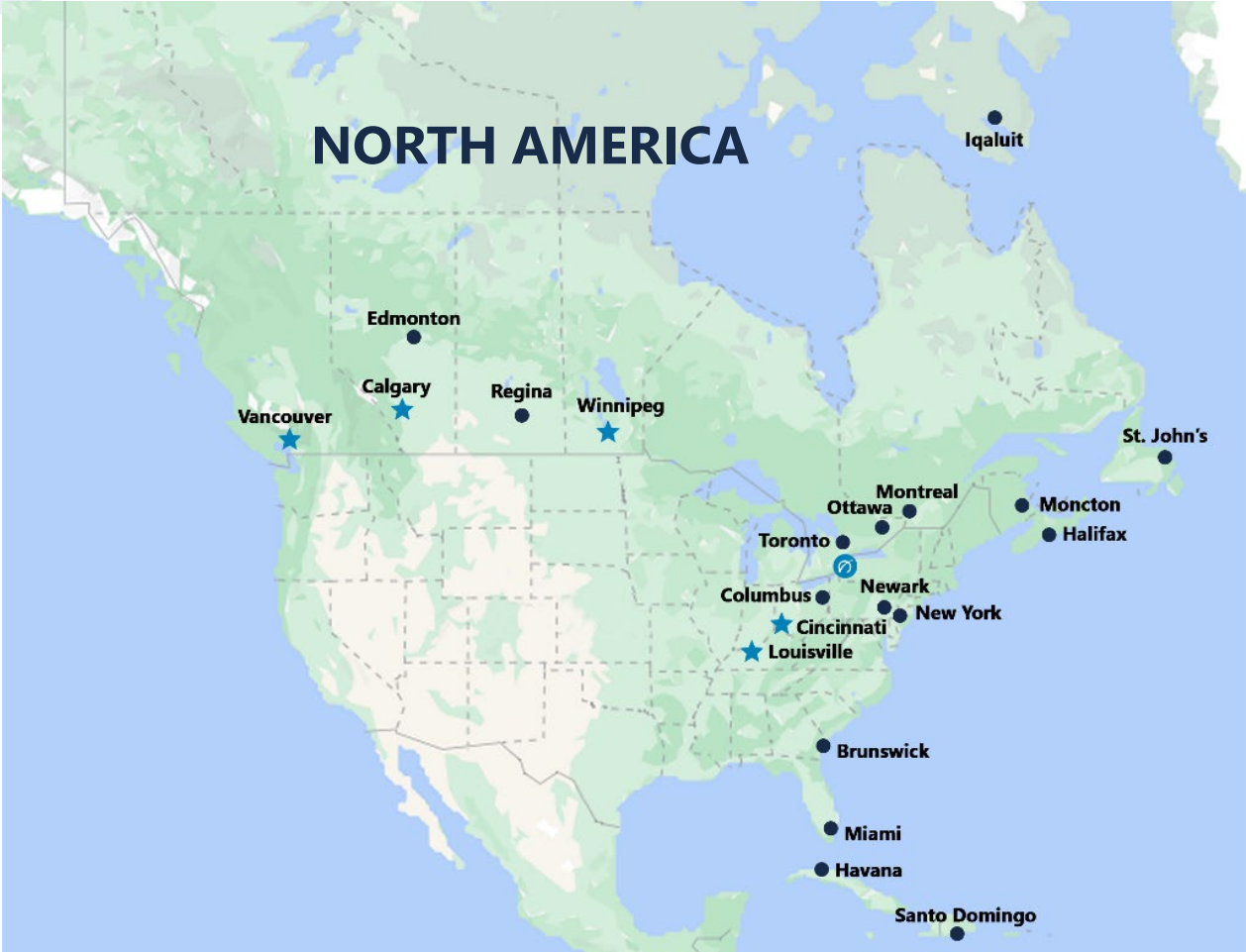
EUROPE

Reykjavík, Iceland – with connections to several popular **European destinations** including Dublin, London, Paris, Amsterdam and Copenhagen

Connections to 30+ European destinations via Iceland w/ **PLAY**

Top Cargo Routes

We are Canada's largest overnight domestic freight and third largest cargo airport by payload



Top 5 Routes	
City	Annual Movements
★ Calgary, AB	1,428
★ Vancouver, BC	1,322
★ Cincinnati, KY	1,034
★ Winnipeg, MB	774
★ Louisville, KY	699

5-Year Climate Action Strategy

Projects to be implemented that reduce Hamilton Internationals estimated GHG emissions by 2029, focusing on becoming Net Zero



Facilities

75% of total GHG emissions are a result of using natural gas to heat facilities.

Equipment exists to reduce emissions for buildings with alternative heating sources, replacement of infrastructure, and other innovative projects.



Fleet/ Vehicles

Fleet vehicles represent 16.6% of total GHG are related to vehicle usage to maintain airport surfaces.

Fleet decarbonization can be obtained through a combination of electrification, sustainable fuels, and/or hydrogen conversion.



Airfield Lighting

The remaining 8.4% of emissions is made up of various uses at the airport, with airfield lighting a major component.

LED conversion for all airfield lighting will reduce the total electricity usage.

2023 Initiatives Completed

- ✓ Numerous decarbonization and energy saving projects identified for the five-year plan, following an assessment by consultant WalterFedy
- ✓ Waste reduction through improved collection and capture processes, further reductions will align to the air terminal waste audit report
- ✓ Diesel fuel reduction through procedural changes that also include equipment purchases to improve existing proactive response to winter events

2024-2029 Focus

- 🎯 Invest in projects that align to our "net zero by 2029 goal", also congruent with City priorities, including reducing our footprint by utilizing sustainable diesel fuels, changing heating and cooling units, installing EV chargers and completion of the stormwater treatment facility
- 🎯 Support our airline and ground handler partners with their ESG priorities, such as SAF transition and equipment electrification
- 🎯 Utilize our talent to deliver on unique initiatives and ensure capital investments are included in the long-term and annual Business and Budget plans

Demonstrated Commitment to Growth & Sustainability

Since 1996, TradePort **has delivered on the shared vision for John C. Hamilton International Airport**, positioning the Airport as a leading gateway and hub for affordable travel and goods movement. We are an economic engine to the City of Hamilton and invest for the long-term.

Building on that success, TradePort remains focused on the core business, to grow **passenger and cargo segments and develop land, reach our net zero climate action and sustainability goal**, while creating jobs and driving investment that will ensure **further economic prosperity** for the City.



John C. Munro

HAMILTON

INTERNATIONAL AIRPORT

JOHN C. MUNRO HAMILTON INTERNATIONAL AIRPORT

9300 Airport Road, Suite 2206

Mount Hope ON L0R 1W0

www.flyhamilton.ca

