

# HAMILTON INTERNATIONAL AIRPORT; DELIVERING ON THE CITY OF HAMILTON'S VISION



TradePort International Corporation

**VANTAGE**  
AIRPORT GROUP

Distributed September 2023  
Accompanies the 2023-2043 Airport Master Plan

John C. Munro

**HAMILTON**  
INTERNATIONAL AIRPORT



TRADEPORT HAS DELIVERED ON THE INITIAL 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 REGION.

**BUILDING ON THAT SUCCESS, TRADEPORT WILL  
CONTINUE TO DELIVER ON PASSENGER AND CARGO  
GROWTH, AND DRIVE FURTHER ECONOMIC ACTIVITY  
WITH A FOCUS ON SUSTAINABILITY AS  
CANADA'S LEADING NET ZERO AIRPORT**

# TRADEPORT MISSION, VISION & VALUES

## OUR MISSION

As an international gateway in Southern Ontario facilitating the efficient movement of people and goods, we are an economic engine and a responsible community partner **focused on environmental, social and governance leadership across all our business and management practices**

## OUR VISION

Recognized by the world as the **best global gateway in Canada for affordable travel and goods movement**



## OUR VALUES

- **Safety & Security** – Taking a proactive approach to ensure we achieve the highest standards
- **Quality & Operational Excellence** – Constantly striving to exceed expectation by providing high quality airport services and infrastructure while minimizing our impact on the environment
- **Respect & Integrity** – Embracing a diverse, inclusive culture of integrity and accountability for our actions
- **Improvement & Innovation** – Committing to grow our business through continuous learning to achieve cost leadership, implement innovative solutions and to deliver winning results
- **Teamwork & Recognition** – Creating a positive experience everyday by being friendly, having fun and recognizing achievements

PEOPLE

PLACE

PERFORMANCE

# TRADEPORT AND THE CITY OF HAMILTON



## Pre-1996

The John C. Munro Hamilton International Airport is owned and was operated by the City of Hamilton

The airport was operating at a loss, becoming a burden to the City and the tax-payers

The City's vision for private operation was to transfer management, development and risk to a progressive entity that would generate economic activity, provide financial returns and enhance value



## 1996

TradePort entered into a long-term agreement with the City of Hamilton to operate and manage Hamilton International

This structure allowed the city to continue to own the critical infrastructure of the airport but have an expert airport developer, operator, investor and manager to operate and manage the airport



## 2023

Hamilton International, with TradePort expertise and investment, has grown to become Canada's largest domestic overnight express cargo airport and the third largest cargo freight airport in Canada

Hamilton International, has become an economic engine for the City of Hamilton, with \$1.0m in rent and \$3.0m in property tax revenue generated by TradePort and its partners in 2022 only



## 2023-2070

The City and the Airport's values are foundational to our shared purpose of supporting the community vision. Together, we are achieving the desired outcomes of the City's strategic priorities – now, and in the future

TradePort has made and will continue to make significant capital investments, including airfield infrastructure, common facilities, and tenant investments, increasing the asset value of Hamilton International, which vests back to the City

# HOW TRADEPORT WILL ACHIEVE ITS VISION

Canada's Leading Net Zero Airport



## OPERATE SUSTAINABLY

Leading the way in sustainability for Canadian Airports by becoming Net Zero by 2030



## DRIVE REGIONAL ECONOMIC DEVELOPMENT

Expanding air and cargo service, attracting talent and investments to further develop commercial activity, and maximizing economic benefits for the City



## A LEADING LOW-COST AIRPORT

Integrating low-cost airport principles, processes and technologies, leveraging Vantage's Network expertise, aligned with our key customers' offerings



## INVEST IN INFRASTRUCTURE FOR GROWTH

Driving infrastructure development in an efficient and sustainable manner, allowing for future growth



## DELIGHT OUR CUSTOMERS


Facilitating the passenger journey and cargo movement, with innovative solutions and technology


**TradePort's vision and strategy for Hamilton International aligns with many of the City's priorities, including **Sustainable Economic & Ecological Development** by maximizing economic benefits for the City, reducing the burden on taxpayers and becoming Net Zero by 2030, accelerating the decarbonization efforts of the City**

# TRADEPORT'S VISION AND STRATEGY IS ALIGNED WITH THE CITY'S STRATEGY & PRIORITIES




## Alignment with TradePort Vision and Strategy

**Operate sustainably**, driving decarbonization efforts, championing Equity, Diversity and Inclusion, and being a responsible community partner focused on environmental, social and governance leadership 

**Drive regional economic development**, propelling economic prosperity and growth, increasing commercial and industrial tax classes and ultimately reducing the burden on residential tax payers 

**Invest in infrastructure for growth**, building and further develop key infrastructure for the region and aligned to the Economic Development Action Plan 

**Delight our customers**, engaging with partners to deliver a safe and enjoyable travel journey to our customers 

**A leading low-cost airport**, continuing to attract and maintain low-cost air service to Hamilton

# HAMILTON INTERNATIONAL IS A SIGNIFICANT DRIVER OF THE CITY OF HAMILTON ECONOMY

The airport creates direct and indirect jobs and investment in the city of Hamilton, fostering economic growth and ultimately lowering the burden for the tax-payers

1

As of 2021, **4,720 direct, indirect, and induced jobs** have been generated in the region by Hamilton International, representing \$340m in salaries and wages<sup>1</sup>, an increase of over 35% in 5 years

2

With **2,300 direct jobs** at the Airport, Hamilton International currently is a top employer in the City of Hamilton

3

**Commercial development at Hamilton International has attracted significant investments and created jobs.**

Highlighted projects include the expansion projects of the **\$55m KF Aerospace hangar** and **Mohawk College premises** along with a **new \$110m DHL international gateway** of which TradePort has played a lead role in

4

Total **direct capital investment by TradePort and its airport partners was nearly \$150m** since 2019 and **over \$441m since 1996**

5

TradePort's proactive and significant collaboration with and investment in local colleges and universities, including **McMaster University** and **Mohawk College**, has further integrated skills training and contributed to **workforce development in the community**

6

Each year, TradePort supports several organizations and charitable events in the City of Hamilton as part of its community investment plan including donations, sponsorships, and gifts in-kind valued at \$100k in 2022


# TRADEPORT'S KEY STRATEGIC GOALS

We are committed to accelerate the environmental transition, effectively planning for future airport growth and enabling development and job creation for Hamilton



**Net Zero by 2030**

*Sustainability*



**1.6m** passengers by 2042  
(+144% vs. 2022)

**1.2b** metric tonnes by 2042  
(+44% vs. 2022)

*Traffic Growth*



**\$300m<sup>1</sup>** Capital &  
Infrastructure Investments  
through 2038<sup>2</sup>

*Investments*

Note: Forecast will vary based on the macroeconomic environment, and may accelerate or delay investments based on the airport's needs

8 (1) In 2022 Dollars

(2) Aligns with current lease term





# SUSTAINABILITY - ENVIRONMENT

TradePort is committed to reducing consumption, emissions and prepare for the impacts of climate change

## ENVIRONMENT

- We are committed to leading the way in sustainability for Canadian Airports, by managing the airport's carbon footprint
- ACI Airport Carbon Accreditation recognized TradePort's efforts to manage and reduce CO2 emissions
- We engage with multiple organizations and industry experts to monitor and decrease the Airport's carbon footprint and environmental impacts

## ROADMAP & KEY STRATEGIC OBJECTIVES

<b>Short-term</b>	<ul style="list-style-type: none"> <li>• Carbon reduction assessment</li> <li>• Waste Management Program</li> <li>• De-icing water treatment capex project</li> </ul>
<b>Mid-term</b>	<ul style="list-style-type: none"> <li>• Onsite storm water treatment</li> <li>• Decarbonization project</li> <li>• ACA Carbon Accreditation Level 2</li> </ul>
<b>Long-term</b>	<ul style="list-style-type: none"> <li>• Decarbonization project</li> <li>• ACA Carbon Accreditation Phase 3+</li> </ul>



**KPI: Net Zero by 2030**  
(Greenhouse Gas Emissions tonnes)

*TradePort commitment to operating sustainably will support the environmental transition of the City of Hamilton*



# SUSTAINABILITY - SOCIAL

Leading the way in sustainability, doing good, making a difference, and investing in the community

## SOCIAL

- As one of Hamilton's top employers, generating over 4,700 jobs, we are committed to continue to create employment opportunities and grow high-paying jobs
- We provide employees, stakeholders and passengers with an inclusive, diverse and equitable environment
- We will continue to invest and give back to our community with donations, sponsorships, and partnerships and are passionate to promote Careers in Aviation



**KPI: 15,000 jobs by 2042**  
(+218% vs. 2021)  
*(Total direct, indirect and induced jobs)*

## ROADMAP & KEY STRATEGIC OBJECTIVES

<b>Short-term</b>	<ul style="list-style-type: none"> <li>• Pay equity implementation; increase positive impacts and a rewarding work environment</li> <li>• Diversity, Equity and Inclusion program <i>(ongoing)</i></li> <li>• Employee engagement, development and safety program <i>(ongoing)</i></li> <li>• Support academic programs at Hamilton International</li> </ul>
<b>Mid-term</b>	<ul style="list-style-type: none"> <li>• Economic Impact Study</li> <li>• Create employment opportunities and grow higher paying jobs <i>(ongoing)</i></li> <li>• Diversity, Equity and Inclusion program <i>(ongoing)</i></li> <li>• Employee engagement, development and safety program <i>(ongoing)</i></li> </ul>
<b>Long-term</b>	<ul style="list-style-type: none"> <li>• Create employment opportunities and grow higher paying jobs <i>(ongoing)</i></li> <li>• Diversity, Equity and Inclusion program <i>(ongoing)</i></li> <li>• Employee engagement, development and safety program <i>(ongoing)</i></li> </ul>

*A thriving Airport will make Hamilton an even better place to live, work and play. TradePort is one of Hamilton's top employers and plays a significant role in the community*

<sup>10</sup> Note: Forecast will vary based on the macroeconomic environment  
(1) Total employment estimate based on 2021 economic impact study and correlation to forecasted revenue growth



# SUSTAINABILITY - ECONOMIC

TradePort will continue to make Hamilton International an economic engine for the City of Hamilton

## ECONOMIC

- **We are committed to promote economic activity, work collaboratively on land-use planning for optimal use of on-airport and complementary development of off-airport land**
- **We build strong internal and external relations** to leverage partnerships that will grow the business, attract investment and to maintain Hamilton International's reputation



**KPI: \$11m<sup>1</sup> annual payments to the City by 2042**

*(Annual rent, property tax and tenant tax)*

## ROADMAP & KEY STRATEGIC OBJECTIVES

<b>Short-term</b>	<ul style="list-style-type: none"> <li>• Revenue diversification and maximize non-aeronautical and aeronautical revenues</li> <li>• 50-year Capex plan and Asset Condition Assessment</li> <li>• Cash contribution and Gross Margin</li> </ul>
<b>Mid-term</b>	<ul style="list-style-type: none"> <li>• Land optimization and development plan; updated Master Plan</li> <li>• Develop on-airport vacant parcels, advance relocation of radar system</li> <li>• Collaboration for airport employment growth district development</li> </ul>
<b>Long-term</b>	<ul style="list-style-type: none"> <li>• Drive value from land assets and influence off-airport developments</li> <li>• Continue to grow and diversify revenue mix</li> <li>• 20-year airport plan updates</li> </ul>

*Developing and investing in Hamilton International Airport, TradePort generates significant economic activity and growth for the region of Hamilton*

Note: Forecast will vary based on the macroeconomic environment

(1) Potential annual rent, property tax and tenant tax based on City's last proposed rent formula and forecasted traffic



# POTENTIAL PASSENGER TRAFFIC GROWTH

Growing air service to meet the demands of the region

- Continue to **collaborate and partner with air carriers, existing and new, to attract and grow air services** in line with travel demand for the region
- **Operate efficiently and in a low-cost manner** in order to pass those savings on to airlines and passengers, positioning Hamilton Airport as a leading low-cost airport
- **Driving revenue performance** across the Airport ensuring suitable commercial offering for passengers
- Continue to position the Airport for **excess passenger demand from surrounding Southern Ontario airports**
- **Introduce technology initiatives** that enhance the passenger journey



**KPIs:**

**1.6m** passengers by 2042  
(+144% vs. 2022)

**3.0m** passengers by 2070  
(+362% vs. 2022)  
(Total Enplaned and Deplaned passengers)



<sup>12</sup> Note: Forecast will vary based on the macroeconomic environment



# POTENTIAL CARGO TRAFFIC GROWTH

Strengthening cargo leadership in the nation

- Hamilton International Airport is **located in Canada's largest and most strategic trade corridor**
- Continue to leverage the 24/7 uncongested operation and modernized airfield, to further **enable the efficient movement of high-value and time-sensitive goods** that are vital to supporting economic trade and e-commerce
- Continue to collaborate and invest with our cargo partners making Hamilton International the leading express cargo airport in the nation. **We enable and facilitate third party investment to support sustainable goods movements critical to Canada's supply chain**



**KPIs:**

**1.2b** metric tonnes by 2042  
(+44% vs. 2022)

**2.0b** metric tonnes by 2070  
(+131% vs. 2022)  
(Total cargo metric tonnes)





# CAPITAL & INFRASTRUCTURE INVESTMENTS

Maintaining a best-in-class airport to meet growing customer needs

- Maintain a best in-class experience for all stakeholders from the over **\$130m of capital invested by TradePort since 1996**
- Continue to invest and develop the Airport to **enhance the value of the Airport** that vests back to the City of Hamilton at the end of the lease term
- **TradePort will continue to be responsible for all Airport Capital Improvements.** Tradeport will provide the capital and partner with the Federal Government, should funding programs be available
- **Asset condition assessments and stage of life** are considerations and inclusions in long-term capital plans and forecasting



**\$300m<sup>1</sup>** Capital & Infrastructure Investments through 2038<sup>2</sup>, with **additional** investments **through 2070**

**Expansionary Capex: \$230m | Maintenance Capex: \$70m**



**New Terminal Building**



**Airfield, Apron Expansion**



**Environmental,**  
including Storm  
Water Treatment



**Parking Expansion**

*Illustrative strategic projects to be undertaken in the next 15 years*

Note: Forecast will vary based on the macroeconomic environment

(1) In 2022 Dollars

(2) Aligns with current lease term

# SUMMARY

**TradePort has been an important partner to the City of Hamilton,** positioning Hamilton Airport as a leading gateway for affordable travel and goods movement and becoming an economic engine to the City of Hamilton

**The city and the Airport's vision and values are aligned** – TradePort is committed to operating sustainably, driving economic development and investing in infrastructure critical for the City of Hamilton

**TradePort has established clear goals and a path to achieve its strategic goals,** including \$300m of capital investments that will continue to create jobs, enhance the value of the airport and improve the experience of the stakeholders

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](http://www.flyhamilton.ca)