



June 5, 2018

Dear Minister Garneau:

Re: Ports Modernization Review: please hold meetings and/or roundtables in Toronto

[Waterfront for All](#) is an umbrella organization of over 30 residents' associations and other groups interested in the revitalization of Toronto's Waterfront.

It is our understanding that, in the coming weeks, Transport Canada will host a series of roundtables and meetings with indigenous peoples, provincial governments, municipalities, broader domestic and international marine stakeholders, and Canadians, as part of its Ports Modernization Review. One of the purposes of the Review is "Optimizing governance and accountability, including with respect to financial management."

This objective will be better served if some of the planned roundtables and meetings are held in Toronto. Due to high land values and the gradual re-purposing of Toronto's harbour away from industrial uses, there are important governance and accountability issues with respect to the Toronto Port Authority ("TPA"), and Toronto's port and harbour in general.

The Toronto waterfront is experiencing unprecedented population growth. A world-leading revitalization effort is underway, directed by Waterfront Toronto ("WT"), which is co-owned by the three levels of government. Funded in part by the sale of public land around the harbour, WT has a well-established record of public consultation and transparency. It has been audited by its government co-owners 18 times since 2003 as to value-for-money and its effectiveness in delivering services. As just one example of its transparency, WT directors' meetings are public.

By contrast, the TPA appears much less accountable; it has rarely if ever been subject to rigorous external audit so far as we are aware. Such scrutiny may be needed. For example, TPA recently sold the 1.8 acre site of its headquarters at 30 Bay Street for \$96 million, and kept the proceeds. It did not contribute the funds to the federal government's coffers nor does it seem to plan to contribute them to the revitalization of the waterfront. No one knows what will be done with the money. TPA seems to have no obligation or inclination to consult with the public,

the municipality, WT or any other level of government as to what will be done with this windfall. Yet funding is lacking for many desirable revitalization projects around Toronto's waterfront and harbour.

TPA also has other larger landholdings such as the 50 acre Port of Toronto site and the approximately 250 acre airport site. How should the ultimate fate of those lands be decided, and to what or whom should any sale proceeds be directed?

The maintenance of areas of Toronto's harbour outside WT's control is problematic. For example, jurisdictional confusion means that parts of the harbour dockwalls (such as at the Eastern Gap breakwater) fall into such disrepair that the public is endangered. Cargo tonnage in the Port of Toronto is minor; it is almost the smallest port operated by a port authority. Cargo ships use privately-owned docks that TPA does not control. The harbour is now predominantly a recreational and cultural asset. What is the role of TPA, if any?

Unusually, TPA gets almost all its revenues (except for the recent \$96 million landsale proceeds) not from shipping but from an airport: Billy Bishop Toronto City Airport ("BBTCA"). TPA says it has been "self-sufficient" as required by the *Canada Marine Act* ("CMA") for many years. Why then is it selling off valuable public land at 30 Bay? Is a port authority self-sufficient within section 8(1)(a) of the CMA if it must sell off legacy real estate to maintain its financial position? Should a port authority be a disguised means of subsidizing an airport? Is an airport operator properly regulated under the CMA? The City has complained about the lack of planning co-ordination regarding the island airport on many occasions. Should the governance structure of TPA change?

We believe these are fundamental questions. Hearings in Toronto would be helpful to explore these matters. WfA would appreciate the opportunity to appear at any such roundtables or meetings. We will make more detailed submissions prior to the September 7, 2018 deadline.

Yours truly,

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