



ST. JOHN'S
International Airport Authority

For Immediate Release

News Release

Contact: Marie Manning, St. John's International Airport Authority
Telephone: 709-758-8564; 709-690-9319
Email: mmanning@stjohnsairport.com
Website: www.stjohnsairport.com

\$243 million of Infrastructure Improvements Planned for Airport

- Investment of \$243 million over 10 years (2014 to 2023)
- Booming local economy has resulted in unprecedented passenger growth
- Improvements will allow Airport to accommodate 2 million passengers by 2023
- Finance Plan is in place to secure \$82.5 million to fund improvement projects
- Primary source of revenue to pay for infrastructure improvements is AIF
- AIF will increase from \$20 to \$30 effective August 1, 2014

ST. JOHN'S, NL, Tuesday, April 29, 2014 – St. John's International Airport Authority announced today its new, 10-Year Airport Improvement and Expansion Plan that includes investments to ensure the safety and operational integrity of the existing facilities; to expand the Airport Terminal Building, parking lots and roadways to accommodate 2 million passengers annually; and to improve the Airport's accessibility during low-visibility conditions. The total investment in the Airport's facilities will be \$243 million between 2014 and 2023.

"We recognize the importance of our facility as the premier transportation gateway to the province, and its role in the economic development of our region. These planned investments are necessary to ensure that this important transportation infrastructure continues to meet the growing demands for travel in our community and our province," said Neil Pittman, Chair of the St. John's International Airport Authority's Board of Directors.

In 2013, approximately 1.5 million passengers travelled through the gates of St. John's International Airport, the highest number recorded at the Airport. Passenger growth has been unprecedented at a rate that has been double the national average over the past ten years. The Airport Terminal Building continues to handle this growing passenger volume in a facility that was designed to accommodate 900,000 passengers annually. By 2023, the forecasted number of passengers to be using the facilities on an annual basis is estimated at 2 million.

While the investments in the Airport's infrastructure include a number of projects associated with the operational integrity and safety of the Airport's facilities, such as rehabilitating taxiways, aprons, and runways, the two largest projects included in this 10-year Plan are the expansion of the Airport Terminal Building and the Airport Accessibility and Safety Initiative.

The Expansion Plan of the Airport Terminal Building will be conducted in two phases: the east expansion will commence this summer and will be completed by the end of 2017. The west expansion will follow, with a scheduled completion date of 2020. This expansion project will result in the Airport Terminal Building doubling in size to 387,000 square feet, and will include a larger pre-board screening area; larger seating area in the Departures Lounge; six more gates and passenger loading bridges; more food, beverage and retail options in the Departures Lounge; and an expanded arrivals and customs area.

The Accessibility and Safety Initiative involves preparing the airfield for the installation and operation of a Category III Instrument Landing System by Nav Canada that will significantly improve the accessibility of the Airport during low visibility conditions. This project is jointly funded by the Airport Authority, Government of Newfoundland and Labrador and the Government of Canada, and the Airport Authority's contribution of \$9.6 million to this project is included in this 10-year Infrastructure Improvement Plan. This project commenced in late 2013 and will be completed by the end of 2015. Once the system is operational, the accessibility of the Airport will increase from an annual average of 93.8% to 98.9%, putting St. John's International Airport on par with the usability of the top 8 airports in Canada.

In order to finance these investments, the Airport Authority has developed a Financial Plan that includes securing additional long-term debt while putting policies in place to ensure the long-term financial sustainability of the Airport. The total additional funding required is \$82.5 million, and this will be secured through future borrowings in the form of a private placement bond and other credit facilities. The Airport Authority's primary source of revenue to finance this long-term debt is the Airport Improvement Fee (AIF) paid by each enplaning passenger. Effective August 1, 2014, the AIF will increase from \$20 to \$30 for each enplaning passenger at St. John's International Airport.

"Our mandate as an Airport Authority is to provide a safe, cost-efficient transportation facility and to facilitate the economic growth of our region. The increased demand for both business and leisure travel is a direct result of our booming economy, and is placing growing pressure on our facilities. These infrastructure improvements will ensure that we will be able to accommodate the growing demand for passenger travel, and therefore continue to foster business and trade. In addition, the construction projects associated with this \$243 million Infrastructure Improvement Plan will further stimulate the local economy through employment within the construction trade," added Mr. Pittman."

Details of the construction plans can be found on the website at www.stjohnsairport.com

St. John's International Airport Authority is a private, not-for-profit organization with the mandate to provide the region with a safe, cost-efficient transportation facility that is a catalyst for economic growth. Under the provisions of a long-term Ground Lease with the Federal Government of Canada, the Airport Authority is responsible for the airport's operations on behalf of the community it serves.