



ST. JOHN'S
International Airport Authority

For Immediate Release

News Release

\$200 million Infrastructure Investment Planned for St. John's International Airport

- Investment of \$200 million over 10 years (2017 to 2026)
- Improvements will allow Airport to accommodate 2 million passengers annually
- Financial Plan to fund improvement projects and ensure long-term financial sustainability
- Primary source of revenue to pay for infrastructure improvements is Airport Improvement Fee (AIF)
- AIF will increase from \$30 to \$35 effective July 1, 2017

ST. JOHN'S, NL, Monday, April 3, 2017 – St. John's International Airport Authority announced today a new, 10-Year Airport Improvement and Expansion Plan that includes investments to ensure the safety and operational integrity of the Airport, and to complete the expansion of its facilities to accommodate 2 million passengers annually. The total investment in the Airport's facilities will be \$200 million between 2017 and 2026.

A number of projects included in the new Plan are required to meet safety and security regulatory requirements, including a recent requirement to install a facility to provide security screening for all vehicles entering the Airport Terminal Building apron. In addition, there are a number of necessary life cycle replacement of facilities required during the 10-year period, including the rehabilitation of a number of aprons, taxiways, and the Central Deicing Facility.

The largest project included in the new Plan is the completion of the expansion to the Airport Terminal Building. The first phase of the expansion commenced in 2014 and is presently on budget and on schedule to be completed in Spring 2018. This project will result in an additional 145,000 square feet incorporated into the three levels of the east end of the existing Terminal Building, and will significantly expand the range of passenger services while improving the operational efficiency for the airlines and the agencies working within the building. The second phase of the Airport Terminal Building expansion will commence in 2018, and when completed in 2021 it will add a further 72,000 square feet to the west end of the existing building that will support the services and facilities necessary for arriving aircraft and passengers. The total area of the Airport Terminal Building will double in size when complete and will be capable of accommodating 2 million annual passengers, a milestone that is anticipated to be achieved during the 10-year planning horizon.

“The planned improvements are necessary to meet our regulatory obligations as an Airport Authority to operate an international airport in a safe, secure and effective manner. The expansion of our facilities will also enable us to continue to accommodate the increase in passenger traffic at our Airport and to welcome the growing number of visitors to our region,” said Art Cheeseman, Chair of the St. John’s International Airport Authority’s Board of Directors.

The expansion of the Airport Terminal Building will result in it doubling in size to 387,000 square feet, and will include a larger pre-board screening area; larger seating area and washroom facilities 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.

All new projects included in the 10-year Plan are consistent with the Airport’s new Master Plan that provides the framework to guide the development of the Airport, and ensures future improvements are undertaken in a responsible manner with regard to operational efficiency, safety and security, environmental compliance and financial viability. While the recently submitted Master Plan to Transport Canada indicates the ultimate build-out of the Airport, the projects included in the Master Plan will only be implemented on a case-by-case basis where a strong business case for each project exists.

In order to finance these investments, the Airport Authority has developed a 10-year Financial Plan that includes long-term debt facilities with policies in place to ensure the long-term financial sustainability of the Airport. In 2014 the Airport Authority secured a \$60 million private placement bond and a \$25 million line of credit. In order to finance the new Plan, the line of credit will be increased to \$40 million. The Airport Authority’s primary source of revenue to finance its long-term debt and credit facilities is the Airport Improvement Fee (AIF) paid by each enplaning passenger. Effective July 1, 2017, the AIF will increase from \$30 to \$35 for each enplaning passenger at St. John’s International Airport.

Since the Airport Authority was privatized in 1998, it has invested \$280 million in infrastructure improvements. To date, the Airport Authority has collected less than 59% of this total through Airport Improvement Fees.

Further information on the infrastructure plans and the Airport Master Plan 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.

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