



Honourable François-Philippe Champagne
Minister of Infrastructure and Communities
180 Kent Street, Suite 1100
Ottawa ON K1P 0B6

Reference: 286397

Honourable Mélanie Joly
Minister of Tourism
C.D. Howe Building
235 Queen Street
Ottawa ON K1A 0H5



Dear Minister Champagne and Minister Joly,

Re: Funding Partnership – Belleville Terminal Pre-construction Phase

As you are aware from our previous conversations, the B.C. government is in the process of reviewing options for revitalizing the Belleville Terminal in downtown Victoria. This terminal is an international port of entry that serves two ferry lines and welcomes 340,000 visitors to Vancouver Island every year. It is also a facility that is in dire need of upgrades.

Canada's newly released tourism growth strategy sets out an all-of-government approach to grow the country's visitor economy. It recognizes that international tourism is a vital contributor to the country's prosperity, and it is premised on tourism's capacity for rapid expansion — providing that all levels of governments mobilize the right policies and investments, and private sector partners are ready to capitalize on the opportunities.

This is exactly the kind of project potential we are considering with Belleville Terminal, and it is the reason we write to you jointly, as it is an initiative that supports many of our government's cross-ministry priorities, including economic diversification, tourism and infrastructure development.

The Province is currently in the pre-construction phase (phase 1) and is seeking federal support in the form of a funding partnership for a portion of this work. Specifically, we are requesting \$860,000 from the federal government, which would be allocated to pay for required engineering, analysis (topographic, bathymetric, traffic planning, etc.) and related market sounding and procurement components.

To be clear, this request is separate and apart from the concurrent infrastructure funding discussions underway between Canada and B.C. It is not intended to replace or supersede any of the other priority infrastructure funding requests that B.C. has already put forward for federal government consideration.

For this phase 1 work, B.C. is committed to providing up to an equal amount of funding, including through partnership with the private sector ferry operators. Already, Black Ball has committed up to \$100,000 and we are hopeful that Clipper Navigation will do the same. These provincial and private sector funds would be allocated for architectural and business planning work that will be required to allow both levels of government to consider a final investment decision.

We are pursuing this work now as the wharf is approaching its end of life, with only approximately six years remaining before it needs to be replaced. As well, due to recent changes in border security agreements between Canada and the United States, we are aware of the need to move to a pre-clearance process to comply with new and pending requirements.

Perhaps most importantly, it is critical that we consider every avenue that will help maintain the \$100 million in annual GDP this terminal brings to the capital region. It is key in driving the tourism industry on southern Vancouver Island, as well as supporting good paying jobs and future economic growth potential. We expect that a pre-clearance facility will ensure the ongoing operation of both ferry operators, as well as the continued presence of the US Customs and Border Protection (USCBP) officers in Victoria.

By retaining the existing USCBP presence, it will also allow for significant potential future economic growth in the local visitor economy. The Greater Victoria Harbour Authority can consider an expansion at the Ogden Point cruise ship terminal to include home-porting. Similarly, should the Victoria International Airport want to become a pre-clearance facility and offer direct service to more U.S. locations, USCBP officers would be available to staff the airport.

Our government believes this project aligns well with several of the priorities within your departments and those of your colleagues. Specifically, providing a funding contribution for this pre-construction phase would help continue the focus the Government of Canada has on successful, timely delivery of growth-generating investments in strategic infrastructure that will increase trade – specifically tourism, in this case.

As mentioned earlier, this pre-construction work will also help ensure the necessary level of detail and analysis required to support a funding decision, including potential consideration of the project by the Canada Infrastructure Bank and the appropriate tourism investment groups newly established by Canada's tourism strategy.

We look forward to hearing from you at your earliest opportunity about the potential for this kind of funding partnership in order to help our government continue to move this phase of the project forward and support both the visitor economy and tourism infrastructure needs of Victoria and south Vancouver Island.

Yours sincerely,



Honourable Claire Trevena
Minister of Transportation and Infrastructure



Honourable Lisa Beare
Minister of Tourism, Arts and Culture

Copy to: Honourable Carla Qualtrough
Minister of Public Services and Procurement and Accessibility

Honourable Bill Blair
Minister of Border Security and Organized Crime Reduction

Honourable Bill Morneau
Minister of Finance

Honourable Bruce Ralston
B.C. Minister of Jobs, Trade and Technology

Honourable Mike Farnworth
B.C. Minister of Public Safety and Solicitor General

Honourable Rob Fleming
B.C. Minister of Education and Victoria-Swan Lake MLA

Grant Main, Deputy Minister
B.C. Ministry of Transportation and Infrastructure

Shauna Brouwer, Deputy Minister
B.C. Ministry of Tourism, Arts and Culture

Bobbi Plecas, Deputy Minister
B.C. Intergovernmental Relations Secretariat

Mayor Lisa Helps
City of Victoria