

March 30, 2021

Mr. Michael Keenan
Deputy Minister
Transport Canada
Ottawa, Ontario,
Canada, K1A 0A6

Sent via email

Dear Mr. Keenan,

Later today, PortsToronto will issue a Request for Interest (RFI) to identify interest from financial investors in assuming operations at Billy Bishop Airport under lease. PortsToronto will remain the signatory to the Tripartite Agreement, with the City of Toronto and the federal government, and as such will retain oversight of the airport and maintain control over such areas as slots, safety and environmental sustainability, including noise management.

As you are aware, Billy Bishop Airport is an award-winning urban airport that has been consistently named one of the Best Airports in North America¹ by industry and passengers alike. It is also a critical asset to the City of Toronto and surrounding region, as confirmed in public opinion surveys where 86% of Torontonians agreed that Billy Bishop Airport is an important gateway for the city as it supports trade and tourism.² Billy Bishop Airport is vital to the City of Toronto's and Province's restart and recovery efforts and is of significant economic importance given that it accounts for:

- More than 4,740 jobs, including 2,080 directly associated with the airport;
- \$470 million in Gross Domestic Product (GDP) to the local economy; and,
- Overall tax payments of approximately \$74 million annually to the City of Toronto and federal government.³

Given this, PortsToronto, as owner and operator of the airport, has a responsibility to regularly review options to support this critical transportation asset. That is the purpose of the RFI issued today. The process initiated by the RFI endeavours to identify a financial investor and is being undertaken in an effort to reduce PortsToronto's overall debt position, restore and enhance liquidity; enable ongoing and future infrastructure investment; and ensure the airport's long-term viability.

It will also provide for the execution of many of the sustainability and infrastructure investments outlined in the airport's updated Master Plan that was released in 2019. This Master Plan sets the course for making Billy Bishop Airport among the cleanest, greenest and quietest airports in the world by setting the standard for how a modern airport operates in an urban environment. Seeking financial investment will help the airport achieve the potential outlined in the Master Plan by ensuring continued investment in key areas.

The RFI is a preliminary and exploratory process that is intended to identify investment potential. Should PortsToronto choose to pursue this concept further, the process will progress to a Request for Proposal (RFP) later this year. This step will be pursued in consultation with the City of Toronto and the federal government, including Transport Canada.

I have included our news release along with this letter, and am available should you have any questions. We look forward to sharing with you the results of this process.

Sincerely,



Geoffrey Wilson
Chief Executive Officer

Cc: The Honourable Omar Alghabra, Minister of Transport
Robert Poirier, Chair of the Board of Directors, PortsToronto

1. *Skytrax (2016-2020), Airport Council International (2016-2020), Conde Nast Traveler (2016,2017)*
2. *EnviroNics Public Opinion Poll 2018*
3. *InterVISTAS Economic Impact Study 2017*