

**THE REGIONAL MUNICIPALITY OF YORK**

---

**REPORT NO. 1  
OF THE REGIONAL  
COMMISSIONER OF CORPORATE & LEGAL SERVICES  
AND  
CHIEF ADMINISTRATIVE OFFICER**

---

**For Consideration by  
The Council of The Regional Municipality of York  
on April 12, 2001**

---

**FUNDING OF TORONTO BUTTONVILLE MUNICIPAL AIRPORT**

**1. RECOMMENDATIONS**

It is recommended that:

1. The Funding Agreement for the Toronto Buttonville Municipal Airport between the Region, Toronto Buttonville Airport (Markham) Inc. ("Townco") and the Town of Markham be extended for the years 2002 to 2010, conditional on the Greater Toronto Airports Authority (GTAA) also providing funding.
2. The Chair and Clerk be authorized to execute an amended Funding Agreement.

**2. PURPOSE**

The Funding Agreement between the Region, Townco and the Town of Markham will expire after 2001 and Townco is seeking a commitment of funding through 2010 to permit the Buttonville airport to continue to operate.

### **3. BACKGROUND**

Buttonville is a fully functioning regional airport that caters to a wide range of aircraft, which are flown for commercial, business and recreational uses.

#### **3.1 Regional Funding Agreement**

Toronto Airways Limited (TAL) owns the Toronto Buttonville airport lands. Townco leases the lands from TAL and TAL continues to operate the airport. Townco then subleases the lands to TAL.

In 1992, the Region entered into a Funding Agreement with the Town of Markham and Townco to provide funding for the period 1992 through to and including 1998 in the annual amount of \$200,000. This annual amount was indexed at the greater of 2.8% or the consumer price index of the previous year. This Agreement was extended in 1999 to provide funding on the same basis for 1999, 2000 and 2001, conditional on lease extensions for those years. The amount of funding for 2000 was \$249,445.96.

#### **3.2 Provincial Funding Arrangement**

During the period from 1992 through to 1999, the Province agreed to fund \$1.5 million per year to 1998 and \$1.7 million for the year 1999. Discussions with the Province are ongoing concerning funding for 2000.

#### **3.3 Conditional Letter of Intent**

TAL has been in discussions with the GTAA to replace the Province and provide the majority of funding on a longer-term basis. TAL and the GTAA have entered into a conditional letter of intent to provide a satisfactory level of funding for the continued operation of Buttonville provided the Region is willing to continue to fund the operation on the same basis as in the past. The GTAA has reserved an option to terminate funding anytime after the first five years.

### **4. ANALYSIS AND OPTIONS**

Future long term funding of Buttonville by the GTAA is conditional on the Region continuing to provide funding for a parallel term. It is unclear if the Province will continue to fund the operation of the Airport. If the Region will not continue to fund Buttonville, an additional alternative funding source must be identified or the continued operations at Buttonville are at risk.

**5. FINANCIAL IMPLICATIONS**

Funds have been allocated in the 2001 budget in the amount of \$256,929, based on the current funding commitment. Funding for the years 2002 through 2010 would be based on the same formula as in the current agreement.

**6. LOCAL MUNICIPAL IMPACT**

The continued existence of the airport is a positive economic benefit to the area municipalities.

**7. CONCLUSION**

The existing funding arrangement between the Region and TAL will expire at the end of this year. Long term funding for the continued operation of the airport has been secured with the Greater Toronto Airports Authority, conditional on continued funding by York Region for a parallel term running from 2002 through 2010. Continued funding of Buttonville by York Region is recommended subject to the GTAA providing and maintaining the minimum level of funding being committed for 2001.

**Respectfully submitted,**

**Phyllis Carlyle  
Commissioner of Corporate  
And Legal Services**

**Alan Wells  
Chief Administrative Officer**

**April 6, 2001  
Newmarket, Ontario**

*(Report No. 1 of the Commissioner of Corporate and Legal Services and the Chief Administrative Officer was adopted, without amendment, by Regional Council at its meeting on April 12, 2001.)*