



**Signing Ceremony
Purchase of the Grand Bahama International
Airport**

**The Most Hon. Dr. Hubert Minnis
Prime Minister and Minister of Finance**

Thursday, 29 April 2021

Freeport, Grand Bahama

12:00 Noon

Ladies and Gentlemen:

Good afternoon.

Thank you Minister D'Aguilar for your introduction.

Let me also publicly thank him and Minister Kwasi Thompson for all of the hard and good work they have done and continue to do on behalf of the people of Grand Bahama and Bahamians throughout the Commonwealth.

I am happy to be back in Grand Bahama after last week's recommissioning of the Rand Memorial Hospital.

Grand Bahamians have experienced the severe impact of hurricanes.

These storms have increased in frequency and strength over the past decade.

On September 2, 2019, Hurricane Dorian caused tremendous heartbreak and destruction throughout Grand Bahama.

Despite storms and the devastating effects of COVID-19 on life and livelihoods, the march to recovery and the economic revival of Grand Bahama continues.

I firmly believe that every crisis brings new opportunity.

I am pleased to announce today that we are delivering on our commitment to purchase the Grand Bahama International Airport.

Through the Airport Authority, The Bahamas owns 29 other airports, all at various stages of development.

While this Airport in Grand Bahama was almost completely destroyed by Dorian, our commitment is steadfast in the rebuilding of the Grand Bahama International Airport as a world-class facility.

We will develop a modern facility that is designed and built to be resilient and meet the weather conditions that are experienced

during the frequent storms that affect Grand Bahama.

This new facility will also enable the return of U.S. Preclearance.

Ladies and Gentlemen:

Grand Bahama's economy does well when residents have access to modern infrastructure and facilities.

Your economy does well when we facilitate its major industries, including:

manufacturing, shipping, financial services, and of course, tourism.

We continue to demonstrate our commitment to the revitalization of this island's economy.

The Grand Lucayan Hotel is evidence of our full commitment to this island.

We did not allow the Grand Lucayan to permanently close and purchased the hotel with a view to handing it over to a purchaser

with a plan to revitalize this island's tourism product.

We delivered on our promise and signed a Purchase Agreement with Royal Caribbean Cruise Lines and the ITM Group.

We are in the process of finalizing this deal and hope to return soon for the full turnover of the hotel.

This airport will play an integral part in the success of that overall development.

Royal Caribbean and Carnival have announced and will move forward on the development of their port project once COVID is behind us and cruising returns.

Critical to all of this is the redevelopment of your international airport.

This redevelopment will significantly boost stopover arrivals to Grand Bahama.

Once tourism takes off, the economy does better.

Our immediate-term focus is to leave no stone unturned in the revival of the Grand Bahama economy.

Ladies and Gentlemen:

Today, I am focusing, on the Grand Bahama International Airport.

I wish to first address the Airport's employees. There are currently 63 employees of the Grand Bahama Airport Company.

Through this purchase, we have ensured that all who want to be will be properly engaged by the Airport Authority, with the appropriate compensation packages.

The official turnover date is May 31, 2021 and the contracts to the employees being re-engaged will be issued during the week of May 24th.

The Bahamas Government understands the contributions Grand Bahamians have

made to this airport and will continue to make the new airport that we will develop.

I am pleased to confirm that the Request for Proposal (RFP) for the redevelopment of the new Grand Bahama International Airport is significantly underway.

The Department of Aviation is working closely with our International Consultants, Leigh Fisher.

This group has helped to successfully steward similar projects in our region to issue a market-leading RFP, so that market can drive the process.

We are pleased that there is high interest in the airport development and continue to receive many inquiries for the redevelopment of this Airport.

Accordingly, we engaged Leigh Fisher in order to be transparent in the redevelopment

of the facility, and in awarding a contract to a new management partner.

We expect that the RFP will be issued within the next three months and a decision made as soon as the review process is completed.

Ladies and Gentlemen:

The redevelopment of this facility will result in a turn-key operation, inclusive of design, financing, and construction, utilizing

local talent for a state-of-the-art facility for Grand Bahama.

Final costs are not yet determined and will be driven by the RFP process.

Our expectation is that our partners, working closely with the Government under a public-private partnership arrangement (PPP), will bring the resources to the table without the Government having to inject any significant capital other than the facilities we are purchasing today.

Based on all of the reports I have been provided, there is a very high level of interest in partnering with the Bahamas Government in this redevelopment project.

I am pleased to advise that at least five Bahamian entities have already approached the Government to be on PPP for this facility prior to the release of the Request for Proposal.

We have advised in each case that these expressions of interest should be responded to via the RFP that will be released by the Department of Aviation.

There will be no negotiations prior to the recommendations of the selection committee.

I am pleased to further advise that pending the redevelopment of this facility that spans 2,500 acres, we will invest approximately \$1.5 million.

These funds will be utilized to rebuild the Customs Warehouse, carryout elevator and structural repairs to the Air Traffic Control Tower, and secure office space for the Airport management team and airlines.

The planning for these activities is well underway.

We decided to proceed ahead of the acquisition of the airport, as we want to minimize the wait time after acquisition with this redevelopment exercise.

Ladies and Gentlemen:

A Special Purpose Vehicle or SPV, which is known as the Freeport Airport Development Company Ltd, has already been formed by the Office of the Attorney General.

This Freeport Airport Development Company Ltd. will source the financing.

Further, passenger facility and other user fees, as well as the revenues to be generated in operating this facility, will service the debt of the Company.

In many ways, this will almost mirror the current business arrangement that exists with Nassau Airport Development Company and Lynden Pindling International Airport where that facility has little to no cost to the people of The Bahamas.

As we previously reported, we are paying the Freeport Harbour Company \$1.00 for this airport facility, let me repeat, ONE BAHAMIAN DOLLAR.

Additionally, we are paying approximately \$1 million to assist in staff severance costs.

The Freeport Harbour Company has invested \$1.6 million to convert the Fixed Based Operation or FBO into a new temporary terminal and has been subsidizing the monthly operating costs of this facility.

After the transfer date, and until the new PPP is identified through the RFP process, the Government has committed to continue to carry these costs.

Employees are assured that their jobs are secured.

Ladies and Gentlemen:

I want to thank the people of Grand Bahama for their patience, support and many prayers.

Despite the challenges of Hurricane Dorian and COVID-19, your needs are always near to my heart and that of my Government.

You are a resilient people.

Today is yet another example of our efforts to restore your hope and to revive your economy, which is a critical part of the national economy.

This airport facility that we will develop; the Grand Lucayan Hotel that is now open and will soon change owners; the newly renovated Rand Hospital along with the new four-story expansion project, the Royal Caribbean/ITM cruise port terminal facility and the Carnival Cruise port facility are examples of our determined and unwavering fight to inject new life into Grand Bahama.

Over the next few months, we will provide an update to you on the redevelopment

activities for this facility, which in a few minutes, will belong to the people of the Commonwealth of The Bahamas, including the wonderful people of Grand Bahama.

Let me continue to remind you to abide by the public health measures.

I also encourage you to take the COVID-19 vaccine, which will help in the reopening your economy.

I thank all of those involved in making today a reality.

May God bless the people of Grand Bahama and the Commonwealth of the Bahamas.

Thank you and good afternoon.
