Minister of Transport,
Infrastructure and Communities

Ministre des Transports,
de l'Infrastructure et des Collectivités

Ottawa, Canada K1A 0N5

APR 29 2010

FAX:(517) 335-6863

Governor Jennifer M. Granholm
Office of the Governor
State of Michigan
P.O. Box 30013
Lansing, Michigan 48909
U.S.A.

Dear Governor:

I am writing with respect to the Detroit River International Crossing (DRIC) project.

As you know, since 2005, Transport Canada has been working diligently with its bi-national partners, the United States Federal Highways Administration, the Michigan Department of Transportation (MDOT) and the Ontario Ministry of Transportation, to complete the comprehensive environmental assessments for the DRIC. Those environmental assessments have now been completed and approved in both Canada and the United States. The partnership is now in a position to proceed with the implementation of the much-needed new bridge crossing that will connect Highway 401 in Windsor and Interstate-75 in Detroit, the busiest international trade corridor in the world.

In keeping with the 2009 Michigan Budget language (PA 116, Section 384), I understand that the State Legislature intends to fully adopt or reject authorizing legislation for the DRIC project by June 1, 2010. I understand that MDOT will be responding to the requirements of the State Legislature by May 1, 2010, including proposals from the private sector expressing interest in a public-private partnership to construct the bridge, plaza, and related infrastructure as well as an investment grade traffic study for the project.

Given the importance of this new crossing to the economic security and future prosperity of the United States and Canada, on behalf of the Government of Canada, I am pleased to inform you that Canada is prepared to increase its financial participation in the DRIC project.

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Upon the Michigan Legislature adopting all of the authorizing legislation for the implementation of the DRIC project, Canada, MDOT and a future private partner would have to enter into the requisite governance and financial agreements to implement the project. Through these agreements, which will be subject to the approval of the Government of Canada, Canada would be prepared to offer to increase its financial participation up to a maximum of US$550 million, for project components in Michigan that would not be funded by the public-private partnership or the United States Government. Amongst other terms to be negotiated to the satisfaction of both Canada and MDOT, Canada would expect repayment from the anticipated toll revenues to be derived from the operation of the new bridge.

I would propose that you convey this intention from the Government of Canada to the State Legislature, should it be helpful to their decision-making related to the future of the DRIC project.

I look forward to a positive outcome and to working with you and your officials on the implementation of this very important project.

Sincerely,

John Baird, P.C., M.P.