

April 25, 2014

The Honorable Glen Murray, MPP
Minister's Office
Ministry of Transportation/Ministry of Infrastructure
3rd Floor, Ferguson Block
77 Wellesley Street West
Toronto, Ontario M7A 1Z8

Dear Minister,

I have been authorized by my board of directors to apprise you of the recent proceedings of the Hamilton Chamber of Commerce (the Chamber) Light Rail Transit (LRT) Task Force.

Comprised of volunteers from among its membership, the Chamber established its LRT Task Force in early 2012 to:

- provide a business assessment of the B-Line LRT project that the City has been advancing;
- provide input and perspective on funding options for the project; and,
- develop and execute a government relations and community engagement plan in support of the project.

Three Hamilton City Councillors and the Mayor formally joined the task force on October 17, 2012, by motion of Council. The terms of reference agreed to by the task force members and Council are attached for your reference.

The LRT Task Force has comprehensively evaluated available academic and government research. Two documents in particular – the City of Hamilton's *Rapid Ready Report* and *The North American Light Rail Experience: Insights for Hamilton* study from the McMaster Institute for Transportation and Logistics (MITL) – have greatly informed the LRT Task Force's ultimate determination that there is a strong business case for the B-Line LRT project.

The B-Line LRT project is highly likely to accelerate the encouraging economic growth that Hamilton has experienced in recent years, and help fulfill the realization of other quality of life and city-building goals.

Until recently, the LRT Task Force had been awaiting clarity from the Government of Ontario on the funding options being contemplated to fund the next phase of The Big Move. Additionally, the impending release of the 2015 Provincial budget has raised considerable speculation about whether and how your government will support Hamilton's B-Line project financially.

As such, the LRT Task Force was reconvened on April 23th to act on its mandate and ensure that an assertive communication was initiated to you prior to the introduction of the Provincial budget on May 1st.

At the meeting, the LRT Task Force passed the attached resolutions containing the directives outlined below. The meeting minutes are included as an appendix to this letter to provide you with a clear indication of participation at the meeting, as well as votes for and against the motion.

The resolutions direct that:

- a) The President & CEO of the Hamilton Chamber write the Transport Minister to reconfirm the LRT Task Force's support for the B-Line LRT and to request that transit funding for Hamilton be included in the 2015 Provincial Budget;
- b) The President & CEO of the Hamilton Chamber encourage the Transport Minister to meet with the City of Hamilton to discuss Hamilton's request for LRT and the associated funding; and,
- c) Should the Province require a municipal financial contribution towards the capital cost of the B-Line, notwithstanding Hamilton City Council's position of 100 percent capital funding, that the Province be requested to permit the exercise of alternative funding strategies.

The Chamber Board of Directors overwhelmingly approved the resolutions and this letter is being sent to deliver on the directives outlined above.

The Hamilton Chamber of Commerce is pleased to play a leadership role facilitating a constructive dialogue on opportunities to advance this critically important issue.

I welcome your response and the chance to work with you directly on next steps.

Sincerely,



Keanin Loomis
President & CEO, Hamilton Chamber of Commerce

cc: Mayor Bob Bratina
City of Hamilton General Issues Committee
City of Hamilton City Manager's Office
LRT Task Force Members
Hamilton Chamber of Commerce Board of Directors
The Honourable Ted McMeekin

Approved LRT Motion, April 23, 2014

Whereas the City of Hamilton completed a feasibility study in 2008 that recommended we build LRT and start with the B-Line;

And whereas the City of Hamilton has completed 30 percent detailed design on the B-line;

And whereas in 2010, a Benefits Case Analysis by Metrolinx concluded that LRT on the B-Line would provide a greater overall economic benefit than would BRT;

And whereas Hamilton City Council has provided unanimous support for LRT as described in the Rapid Ready Report approved on February 27th, 2013;

And whereas Metrolinx, has been clear that they are supportive of LRT in Hamilton;

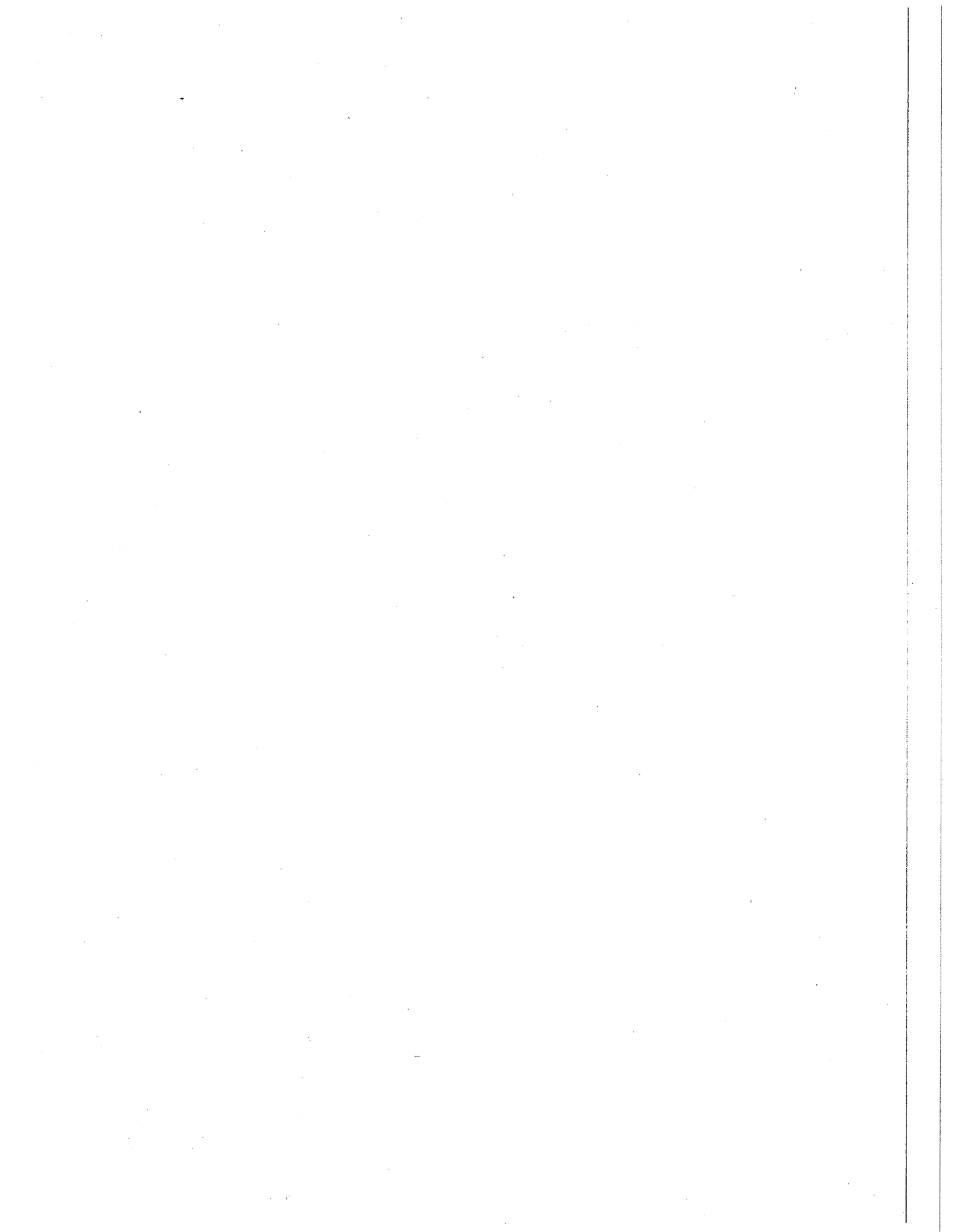
And whereas Hamilton has prepared a strong economic benefits case on the benefits of LRT including: tax assessment growth along the B-Line;

And whereas Council provided reports to Metrolinx on funding tools and an investment strategy on May 8, 2013 and September 25, 2013 respectively as it relates to Council's position of 100 percent capital funding;

And whereas achieving LRT for Hamilton is expected to take place in the 5-15 year period;

Therefore Be It Resolved:

- (a) That the Chamber of Commerce/City of Hamilton LRT Task force reconfirm its position and write the Minister of Transportation in support of the City of Hamilton's request for LRT along the B-line, requesting that funding be included in the Spring 2014 Provincial Budget.
- (b) That the City of Hamilton invite and meet with Minister Murray to discuss Hamilton's request for LRT and the associated funding.
- (c) That should the Province require some financial contribution from Hamilton towards the capital cost of the B-Line, notwithstanding Council's position of 100 percent capital funding, that the Province permit the exercise of alternative funding strategies.



LRT Task Force: Terms of Reference: Updated December 19, 2012

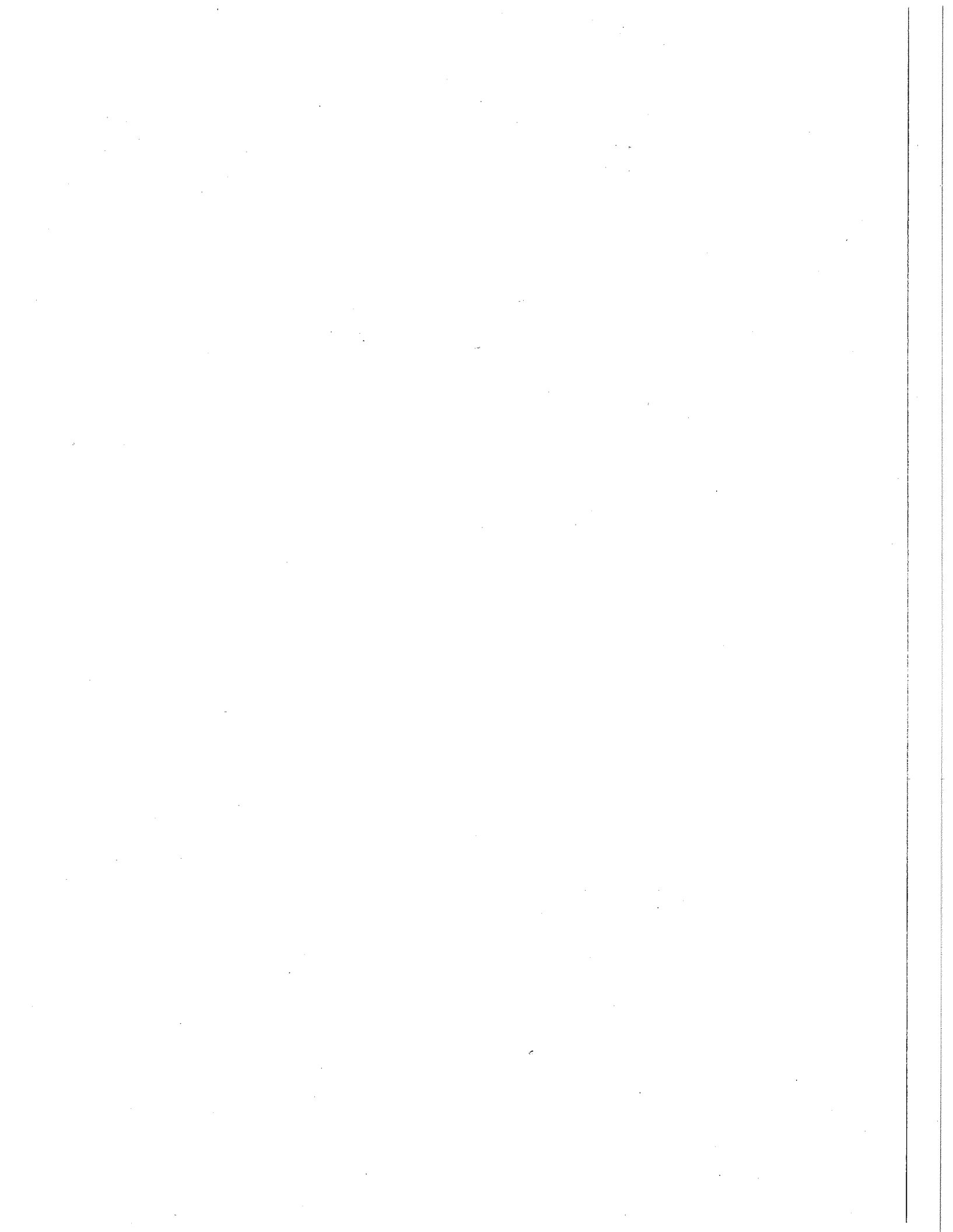
- A. Membership
 - a. One to two representatives from each of the Chamber's Divisions and Committees
 - b. Mayor or his designate and three members of City Council (Councillors Farr, Ferguson and McHattie)
 - c. Task Force to be chaired by Transportation committee Chair
 - d. Task Force to elect Vice-Chair from task force members
 - e. Board Chair ex-officio
 - f. President and CEO ex-officio

- B. Time Commitment
 - a. Task Force will meet once per month (fourth Wednesday of the month)
 - b. Anticipated to meet for one to two years

- C. Committee Process and Resources
 - a. Task Force will report through the Chair to the President and CEO
 - b. President and CEO will attend meetings and facilitate resources to the Task Force
 - c. Speakers and consultants will attend meetings as required

- D. Task Force mandate
 - a. Assess Hamilton's LRT project from a business perspective i.e. provide input to and assess the return on investment of LRT in Hamilton
 - b. Provide input on how LRT is a strategic infrastructure investment for Hamilton
 - c. Provide input and perspective on funding options for LRT in Hamilton
 - d. Provide input on costing options for LRT in Hamilton
 - e. Engage Chamber members and the business community to provide input to the LRT project including facilitating meetings; forums; discussion groups
 - f. Assess the interest of Hamilton's business community about the LRT project
 - g. Develop and execute a government relations plan in support of LRT
 - h. Assess funding tools that could be used to contribute to funding LRT

- E. Deliverables
 - a. Meeting minutes
 - b. Reports to General Issues of Hamilton City Council
 - c. Government Relations Plan
 - d. Quarterly or as needed reports to the Chamber Board of Directors
 - e. Suggested policy positions or policy resolutions for the Board's consideration and approval
 - f. Articles to be used in Chamber communications and other media outlets





LRT Task Force

When: Wednesday, April 23, 2014

Where: City Council Boardroom (71 Main Street West)

Time: 4:00pm

LRT Task Force

April 23, 2014 Meeting

Minutes (Not Approved)

Attendees: Chair, Keanin Loomis (Hamilton Chamber of Commerce), Councillor Brian McHattie (Ward 1), Councillor Jason Farr (Ward 2), Councillor Lloyd Ferguson (Ward 12), Andreanna Hudson (Hamilton Hive), Spencer Graham (McMaster Students Union), Kwab Ako-Adjei (McMaster University), Meghan Platts (Realtors Association of Hamilton-Burlington), Julian Pecchia (CAA Ontario), Rami Reda (YEP Division Representative, Board Member Hamilton Chamber of Commerce), Geoff Green (Innovation & Technology Committee Representative), Kathy Drewitt (Downtown BIA), Linda Meerweld (ERG Ergonomics & Human Resources Committee Representative), Ian Dunlop (Strategic Interchange & Business Development Committee representative), Alan Griffiths (Mohawk College)

Absent with Regrets: Mayor Bob Bratina

Non-Voting Observers: Councillor Terry Whitehead (Ward 8), Chris Murray (City Manager), Michael Kirkopoulos (Communications), Christine Lee-Morrison (City of Hamilton), Michael Barton (Hamilton Halton Homebuilders Association), Pavlos Kanaroglou (McMaster Institute for Transportation and Logistics), Chris Higgins (McMaster Institute for Transportation and Logistics), Rodrigo Narro Perez (McMaster Students Union) Peggy Chapman (Mayor's Office), Matthew Van Dongen (Hamilton Spectator), Huzaifa Saeed (Hamilton Chamber of Commerce)

Minutes

Start: 4:04 PM

Keanin Loomis: Opened the meeting welcoming task force members and indicated that the task force had not met since he took office in summer 2013. The Chamber was waiting for movement and information on the provincial level regarding the funding tools to fund the Big Move, in particular LRT in Hamilton. Through a combination of rumours and the leaked provincial budget in the media, there was indication in early April that the Provincial budget will have funding for transit. Since then, much speculation had been made as to the method of funding and whether there would be local contributions required. Councillor Brian McHattie approached Keanin to suggest that the task force reconvene to discuss the upcoming budget and to reaffirm the task force's LRT. Given the mandate of the task force and the importance of the moment, it was determined to be a reasonable request and necessary to indicate our support for the project to the Transport Minister before the provincial budget.

Councillor McHattie: Hamilton has been working with Metrolinx for many years; last February, Council formally moved to advocate for 100% capital funding from the province as its official stance. Council completed the Rapid Ready report in 2013, funding tools were released by Metrolinx in summer 2013 but nothing was followed through. Hamilton is number one on the Rapid Transit Readiness list in the GTHA according to Metrolinx from a “shovel ready” perspective. At his visit to the waterfront at the recent Chamber event, Minister Glen Murray pledged support for Hamilton’s LRT project and dropped hints that alternative funding arrangements would be possible. The recent leak of the provincial budget in the media hinted that with overall \$14 billion committed to the GTHA Big Move Priorities and \$15 billion for outside the GTHA, but that the money would be distributed on a first-come, first-serve basis. There is plenty of opportunity for Hamilton but we have to make sure that Hamilton gets a proportional amount.

Keanin Loomis: The Chamber’s formal position on LRT is through this task force - after having reviewed the research reports that have come out on the project, especially the LRT report conducted by McMaster Institute for Transportation and Logistics, it is obvious that if we implement the plan right, there is a strong business case for LRT, leading to positive outcomes for the economy and business community in Hamilton. MITL has been invited to recap their findings and discuss the concept of alternative funding strategies.

Chris Higgins, MITL (Powerpoint Presentation): Presentation titled “Rapid Transit Value Planning and Solutions for Local Revenue”, reviewed the economic impact studies they’ve conducted and covered a variety of topics regarding potential options to generate revenue for LRT in Hamilton. Topics covered: Public Private Partnerships, Tax Incremental Financing, Development Charges. Noted that Hamilton has relatively low Development Charges for Transit compared to other municipalities. Examples given of how LRT is funded in other North American Cities.

Keanin Loomis: A proposed motion was provided in advance to the task force by Councillor McHattie, with help in drafting given by the City Manager’s Office. The proposed motion was circulated.

Motion moved by Brian McHattie, seconded by Kathy Drewitt:

Whereas the City of Hamilton completed a feasibility study in 2008 that recommended we build LRT and start with the B-Line;

And whereas the City of Hamilton has completed 30 percent detailed design on the B-line;

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And whereas achieving LRT for Hamilton is expected to take place in the 5-15 year period;

Therefore Be It Resolved:

- (a) That the Chamber of Commerce - City of Hamilton LRT Task force reconfirm its position and write the Minister of Transportation in support of the City of Hamilton's request for LRT along the B-line, requesting that funding be included in the Spring 2014 Provincial Budget.
- (b) That the City of Hamilton invite and meet with Minister Murray to discuss Hamilton's request for LRT and the associated funding.
- (c) That should the Province require some financial contribution (in the amount of 10-15 percent) from Hamilton towards the capital cost of the B-Line, that the Province then consider a model for Hamilton that would see front ending this capital investment to be paid back through the additional property taxes generated in the future (i.e., tax incremental financing).

Discussion on the Motion:

Councillor Ferguson: Not happy with point "C" within the motion submitted, it undermines the stated position of Council and the vote is premature as we don't know what the provincial budget will state. We should delay this until after the release of the provincial budget when we know where we stand. Hamilton has a lot of financial commitments for infrastructure projects on the capital front.

Chris Murray: Council's position certainly is that we need 100% capital funding from the province, but the motion doesn't undermine any position that Council has ever taken. It is seemingly pragmatic and proactive, acting on the anticipation that there might be some local contribution required; if that is the case, we need to be able to explore alternative funding options.

Ian Dunlop: There is tremendous value for LRT in Hamilton. We need to ask the province how to pay for it.

Jason Farr: Would not vote on the motion as it is, but could support if it reasserts Council's stated position and is less prescriptive in the contribution amount and the funding options being contemplated.

Kathy Drewitt: Initiated discussion on the use of "alternative funding strategies" and in deleting references to the percentages being contemplated.

Motion amended by General Consent:

Original: ~~(c) That should the Province require some financial contribution (in the amount of 10-15 percent) from Hamilton towards the capital cost of the B-Line, that the Province then consider a model for Hamilton that would see front ending this capital investment to be paid back through the additional property taxes generated in the future (i.e., tax incremental financing).~~

To: "(c) That should the Province require some financial contribution from Hamilton towards the capital cost of the B-Line, notwithstanding Council's position of 100 percent capital funding, that the Province permit the exercise of alternative funding strategies."

Vote on the motion:

Passes with all in favour.

Abstentions: Julian Pecchia (CAA Ontario), declared conflict of interest as CAA sits on Transit Investment Advisory Panel, which introduced its own funding recommendations.

Not present for vote: Councillor Lloyd Ferguson

Adjourned: 5:10PM