



**Vrancor**  
GROUP

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Wednesday May 25, 2016

Dear Councilor Merulla:

Reports in the news media about the re-ignited debate over Hamilton's Light Rail Transit initiative are very alarming to both me and many others in Hamilton's development community.

It is fair to say that virtually everyone, myself included, in Hamilton's development community understood this to be a done deal.

We were of this understanding because Premier Kathleen Wynne herself came to Hamilton to make the announcement. City Council requested 100 per cent provincial funding of the \$1 billion cost of this initiative and that is exactly what the Premier delivered.

To learn now that there is a question mark over the initiative, and indeed it is in jeopardy, is extremely concerning to those of us who are investing in Hamilton.

Council got everything it asked for: a \$1-billion, fully-funded project. To turn that down now would be tantamount to snatching defeat from the jaws of victory.

My company has made more than \$200 million in investments in Hamilton, including two hotels --Staybridge Suites on Caroline Street and Homewood Suites by Hilton on Bay Street South plus the condo redevelopment of 150 Main Residential Lofts, the former Federal Building at 150 Main Street West.

I have shown my commitment to the City by moving my company's head office to downtown Hamilton.

Given this, it is very hard for any private sector person investing in Hamilton such as myself to understand why some on Council is contemplating turning their backs on \$1 billion in provincial investment in our City.

Be assured that many developers, myself included, are watching the LRT initiative very closely.

If the LRT initiative was, for some reason not to go ahead, it would send a very negative message about the direction of the City to developers both inside and outside the City.



If it goes ahead, as it should, it will mean significant private sector investment, not only raising property values but giving the entire City significant economic uplift.


How do I know this? We do not need to look to distant European cities for proof, although there are many examples there to be found. We have already witnessed significant economic uplift right here in Hamilton on the East Mountain with the building of the Red Hill Valley Parkway. I think it is fair to say that many in Hamilton now take the Red Hill parkway for granted and today could not imagine the City without it. The long and tiresome debates about building the Parkway today seem like relics of the past.

The LRT Initiative is a different kind of transportation project but we can be assured it will result in uplift just as the Red Hill Valley Parkway has done.

I can tell you that anecdotally those developers are keenly interested the opportunities that the LRT Initiative will provide. The City has made all the right moves by ensuring that the zoning is in place to allow this uplift to happen. I predict that, once ground is broken on the LRT Initiative, there will be a flood of new development proposals all along the LRT corridor.

I believe in a positive and successful future for Hamilton. I urge you to join me in this positive vision for the future and allow Hamilton's LRT Initiative to go forward.

Yours truly,



Darko Vranich  
President & CEO  
Vrancor Group Inc.

