

Minister of Transport,
Infrastructure and Communities



Ministre des Transports,
de l'Infrastructure et des Collectivités

JAN 19 2011

Ottawa, Canada K1A 0N5

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JAN 13 2011

His Worship Fred Eisenberger
Mayor
City of Hamilton
71 Main Street West
2nd Floor
Hamilton ON L8P 4Y5

Dear Mr. Mayor:

Thank you for your letter of October 12, 2010, regarding the City of Hamilton's plans for Light Rail Transit (LRT). Please accept my apology for the delay in replying.

The Government of Canada is taking action and is making strategic investments in infrastructure that contribute to Canada's economy, job creation, a cleaner environment, and strong and prosperous communities. In Budget 2009, the government committed to streamline approvals and accelerate investments under the \$33-billion Building Canada Plan and to provide almost \$12 billion in new infrastructure stimulus funding over two years.

In the first year of Canada's Economic Action Plan, the government has committed more than \$9.5 billion in federal funding towards over 6,000 projects. Thanks to funding from provinces, territories, municipalities and other partners, this will leverage a total investment in infrastructure of \$27.4 billion.

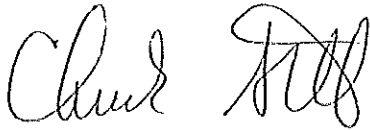
Major elements of the Building Canada plan will continue to provide a source of long-term, predictable funding for municipalities. For example, the government has announced that the Gas Tax Fund will become a permanent initiative beyond 2014 at \$2 billion per year nationally, so that municipalities will be able to count on this stable funding for their current and future infrastructure needs. As public transit is an eligible category under the Gas Tax Fund, I would encourage the City of Hamilton to consider allocating Gas Tax funding to its transit projects, including the LRT.

Should you be considering a public-private partnership approach to the project, you may wish to submit a proposal to the \$1.2-billion P3 Canada Fund. While the second round of proposals closed last summer, there will be more calls for project submissions in the future. More information can be found at www.p3canada.ca.

I am sure you will understand that the Government of Canada's ability to make significant new infrastructure funding commitments through most of its programs is now quite constrained. That being said, I am glad you have shared an outline of your plans for Light Rail Transit in Hamilton, and I would appreciate you keeping me apprised of any developments in this regard.

Again, thank you for writing.

Sincerely,

A handwritten signature in cursive script, appearing to read "Chuck Strahl".

Chuck Strahl

c.c. Mr. David Sweet, M.P.
Mr. Dean Allison, M.P.
Mr. David Christopherson, M.P.
Mr. Wayne Marston, M.P.
Mr. Chris Charlton, M.P.