MAR 3 1 2008

His Worship Fred Eisenberger
Mayor of Hamilton
Hamilton City Centre
77 James Street North
Hamilton, Ontario
L8R 2K3

Dear Mayor Eisenberger:

Re: City of Hamilton Transit Investments

The government is committed to MoveOntario 2020, its action plan for rapid transit in the Greater Toronto Area and Hamilton, and to the MoveOntario 2020 Quick Win projects recommended by Metrolinx. As announced in the 2007 Ontario Economic Outlook and Fiscal Review and the 2008 Ontario Budget, I am pleased to advise you that the City of Hamilton has been authorized to receive funding of $29,800,000 to be used for municipal capital expenditures for transit vehicles and infrastructure to support:

- B-Line Improvements, King – Main Corridor
- A-Line Improvements, James – Upper James Corridor

The approved funds will be transferred to you by June 30, 2008, at which time the province will also provide details on reporting requirements and other accountability related requirements. These requirements will include as a minimum a description of the types of eligible expenditures for which the funding is intended, and requirement for a final report on how the funds were used. In addition, the province reserves audit rights to ensure that funds were used for the purpose intended and to recover funds if it is determined that they were not used, or will not be used for the intended purpose.

The province also requests the following additional information:

- An authorizing bylaw/council resolution from the City of Hamilton which should be dated no later than April 30, 2008. The bylaw/council resolution should reference:
  - That the $29,800,000 allocated to the City of Hamilton by the province will be used for the specified transit projects in this letter;
  - That a final summary report detailing expenditures, use of provincial funding, and outcomes achieved shall be submitted to the ministry, and that the ministry may request an independent audit of the project; and
  - That any funds intended for the project that are not used in accordance with the terms outlined above will be returned to the ministry.

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Please acknowledge your receipt of this letter by signing and returning the enclosed duplicate copy of this letter to Steve Naylor, Director, Finance Branch, 6th Floor, 301 St. Paul Street, St. Catharines, ON L2R 7R4, Fax (905) 704-2515 by April 30th to initiate payment processing. If you anticipate any issues or concerns with meeting any of the above-noted dates, please advise as soon as possible.

We wish the City of Hamilton much success in its endeavours. If you have any questions regarding this matter, please contact Greg Tokarz, Manager, Transit Infrastructure Policy at (416) 235-5468.

Yours sincerely,

Jim Bradley
Minister

c:   Bruce McCuaig, Deputy Minister, Ministry of Transportation
     Sophia Aggelonitis, MPP, Hamilton Mountain
     Andrea Horwath, MPP, Hamilton Centre
     The Honourable Ted McMeekin, MPP, Ancaster-Dundas-Flamborough-Westdale
     Paul Miller, MPP, Hamilton East-Stoney Creek

Acknowledged by:

__________________________________________________________________________
Signature & Title                                                  Date