



OFFICE OF THE MAYOR
CITY OF HAMILTON

December 18, 2019

Premier Doug Ford
Queen's Park
Toronto, ON
M7A 1A1

Open Letter

Dear Premier Ford,

Hamilton is reeling from your decision to cancel Hamilton's massive LRT investment.

This investment would have created hundreds of jobs, economic uplift, increased affordable housing, cut CO2 emissions and built a City of Hamilton ready for the future.

Instead, millions of dollars have been wasted doing advance engineering work and preparations. Metrolinx is now one of the largest landlords in the city after acquiring dozens of properties needed for the route.

Your Minister failed to share information and dispensed with engaging in any constructive dialogue. Following repeated requests, we received the preliminary cost estimates late last Thursday, December 12 but were not afforded an opportunity to discuss the estimates prior to the meeting Minister Mulroney on Monday December 17 just prior to her announcement of the cancellation of the project.

I called this a "betrayal" and I stand by that. This is a personal betrayal by you as Premier. You said November 28, 2018: "When people democratically elect someone, if he wants an LRT, he's gonna get an LRT," adding "that's democracy."

Furthermore, you sent your then transportation minister, Jeff Yurek, to Hamilton on April 10, 2019, to confirm to me face-to-face that your government was backing the LRT project.

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I thought you were a man of your word, but I was wrong. That is why I now call this a betrayal.

City staff received preliminary cost estimates from MTO last Thursday, December 12, and were never afforded an opportunity to ask the following questions:

1. What were the design assumptions and costing methodologies used to derive the estimates, and if these have been revised, how so, and to what financial effect?
2. There is a notable increase in capital construction cost, over and above significant allowances for contingency and escalation, what is contributing the increase? Also, what information is the Province drawing upon for adjusting contingency and escalation allowances?
3. What factors are contributing to dissimilar capital construction cost estimates referenced in the information provided?
4. What are the details associated with the costs allocated to Provincial lifecycle and long-term financing and how do these differ from the original estimate?
5. What are the details associated with the costs allocated to "Other Costs" and, similarly, how do these differ from the original estimate?
6. There appears to be a discrepancy, based on the referenced assumptions, in how "City" costs are calculated and escalated on the last page. How were these costs derived and what methodology was used to inflate/escalate the costs from current dollars to future dollars? It should be noted, based on the referenced assumption, and a revised calculation, there doesn't appear to be much change in this cost estimate versus other cost estimates reported publicly.

City Council and the people of Hamilton deserve these answers. I look forward to your prompt reply.

Yours truly,

A handwritten signature in black ink, appearing to read "Fred Eisenberger", with a long horizontal flourish extending to the right.

Fred Eisenberger
Mayor

CC: Hon. Caroline Mulroney, Minister of Transportation
Hon. Andrea Horwath, Leader of the Official Opposition
City of Hamilton Council
City of Hamilton Clerks Office
Joe Mancinelli, International Vice-President, LiUNA!