

February 28, 2008

**His Worship Mayor Fred Eisenberger and Council
City of Hamilton
C/O City Clerk
71 Main Street West
City Hall, 2nd. Floor
Hamilton, Ontario, Canada, L8P 4Y**

Your Worship:

Re: AIRPORT IMPLEMENTATION TASK FORCE REPORT 08-001 d. Monday, January 14, 2008

We wish to formally advise Council that the Chamber's Board of Directors has endorsed, and fully supports, in principal, the two recommendations that were outlined in the above noted report; specifically:

"1. Needs Assessment Study – Proposed Pickering Airport (Item 6):

(a) That the Mayor be authorized and directed to send follow-up correspondence to the Minister of Transport , the Honourable Lawrence Cannon, with respect to the Needs Assessment Study for the proposed Pickering Airport, such correspondence to include the following:

(i) expressing the City's opposition to the selection process

(ii) requesting reconsideration of the methodology of the process,

(iii) process should be more public and provide more opportunities for the City of Hamilton and other agencies, organizations and the public to participate;

(iv) requesting a review period after findings are complete

(v) timelines for the completion of various phases; and

(b) That the M.P.'s and M.P.P.'s be invited to a future meeting of the Committee of the Whole for discussion of the proposed Pickering Airport, issue. Plus,

2. Business Case to Purchase Lands Along Airport Road Adjoining the John C. Munro/Hamilton International Airport (PED07048(c)/FCS07042(c)) (Item 7.2):

(a) That Option 1 – acquisition of all future land required for runway and airport expansion now (approximately 149 acres), as outlined in Business Case to Purchase Lands along Airport Road adjoining the John C. Munro/Hamilton International Airport attached to Confidential Report PED07048(c)/FCS07042(c), be approved;

(b) That the requisite funding in the amount of \$3 million be pre-approved for inclusion in the 2009 Capital Budget; and

(c) That Report PED07048(c)/FCS07042(c), in its entirety, remain a confidential document.”

With respect to the first issue, we ourselves will be writing soon directly to Minister in strong support of the City's position, reflecting that we do indeed at least equally share your concerns. Our congratulations to Council for taking this bold measure standing up for our Community; and frankly, the best interests of all Canadians to ensure that the process to be followed in this matter is indeed fair, open and free of any potential irreconcilable conflicts of interest, perceived or otherwise.

In regards to the latter recommendation; obviously, the Chamber is not privy to any “confidential” material, nor would we want to be. Not having access to the referenced report, our support must be expressed as very much in “general terms” only; i.e. we trust in the professionalism of staff to make appropriate recommendations to Council as to the proposed transaction. For example, we can make no specific comments as to the validity of say any relative business case.

However, notwithstanding the above, in principal, we feel that it is indeed very fair and appropriate for the City to make an investment of this nature. Briefly, the primary reasons are threefold, in our view:

1. First and foremost, the City owns the Airport. While Airport, operations are managed, and quite effectively in our view, by a private sector organization – it is, in the final analysis, the City's Asset. Thus, ultimately, the City will benefit directly from any improvements made to the overall assets, including presumably this the managers may make purchase, as well as any as.
2. Secondly, as you know, the Airport is a critical cluster in the City's award winning Economic Development Strategy. Briefly, necessary private sector job and assessment growth in this Community is inexorably linked, in large part, to the success of our Airport. If it succeeds, simply put, the broader community succeeds. If these lands are necessary for the Airport's growth and success, as is perhaps may be outlined in the Confidential report (I am speculating here, but a reasonable assumption, I think); particularly vis-a- vis positioning itself effectively as an alternate to Pickering; this would be a vital, if not necessary basic investment for the City.
3. Lastly, as a prudent owner, indeed steward of the assets of the Citizens of Hamilton, the City should consider the risks inherent with allowing the ownership of their assets to split amongst diverse private parties. The City's options in the long term are maximized if it retains full ownership. For example, you can best protect the long term value of the core assets if you retain full ownership and control of all the inherent parts of it necessary to run a successful airport operation, regardless of who manages it in the interim on it's behalf. To be clear, this is no reflection on the current managers, who are doing an excellent job, in our view; but this is merely prudent business practice to mitigate any unforeseeable potential risks in the future.

In short, this is an important investment to consider for in the future of this City.

If you have any questions or concerns on this matter, please contact the undersigned or our Chief Executive Officer, John Dolbec at (905) 522-1151 ext. #229 or j.Dolbec@hamiltonchamber.on.ca.

Sincerely,

Yours truly,

Tyler MacLeod,
President, Hamilton Chamber of Commerce

CC: All Directors, Hamilton Chamber of Commerce, include the Chairs of our Ancaster and Dundas Divisions; and all members of the Chamber's Business Development and Transportation Committees.

The Honourable Lawrence Cannon, Minister of Transport and all Local MP' & Mops.
All Local Media