



City of Toronto

Mayor Rob Ford

From: Mayor Rob Ford
To: Executive Committee
Date: January 30, 2012
Re: **TTIL Report – Toronto Transit: Back on Track
Sheppard Subway Development and Financing Study**

RECOMMENDATION

Mayor Ford recommends that:

The City Manager be requested to report back to the Executive Committee at its March 5, 2012 meeting with recommendations on a process to move forward with the development of a plan to complete the Sheppard Subway.

BACKGROUND

Toronto Transit Infrastructure Limited (TTIL) was requested to review the feasibility of extending the Sheppard Subway from Downsview Station to the Yonge Subway Line and from Don Mills Station to Scarborough City Centre.

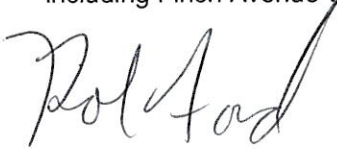
TTIL has submitted its report entitled "Toronto Transit: Back on Track – Sheppard Subway Development and Financing Study." In summary, the report concludes:

- The Sheppard Subway remains approved public policy, that has remained so through numerous changes in governments (federal, provincial and municipal). It has been a top transit priority in Toronto for more than 30 years;
- Subway compared with LRT delivers the greatest value for money for the Sheppard corridor over the long run;
- There has been tremendous amount of investment in planning studies and technical specifications (design and construction plans) undertaken to support immediate action;
- Funding of the Sheppard Subway is feasible. Numerous innovative funding approaches are available to support Sheppard Subway construction. The magnitude of these tools is significantly greater than the cost of the Sheppard Subway and many such tools will not be available to support LRT;
- International and national best practices demonstrate that alternate funding and delivery of construction models have been the potential to reduce the burden of the cost of construction on taxpayers and accelerate project completion. This is supported by KPMG analysis;

- Research into the cost of procurement for the Sheppard Subway suggests that TTC cost estimates are significantly higher than in other jurisdictions.

The report estimates the total cost of the Sheppard Subway project at approximately \$3.7 Billion and identifies both a number of procurement approaches that would mitigate the financial impact on city finances, and a number of optional revenue tools that could fund the project.

Of particular interest is the possibility that some of these revenue tools could potentially be used to fund additional underground rapid transit projects in other high-growth, high-demand areas of the city, including Finch Avenue West and the Downtown Relief Line.

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Mayor Rob Ford
City of Toronto