Scarborough Rapid Transit Options

July 16, 2013

Report from the City Manager and CEO, Toronto Transit Commission



REPORT RECOMMENDATIONS: 2 OPTIONS

• A. Support Scarborough LRT under the current Master Agreement OR

- ▶ B. Support Scarborough Subway, and
 - Authorize City Manager to amend Master Agreement.
 - Enter into an agreement with Metrolinx with respect to funds allocated to the Scarborough LRT of \$1.8 billion (\$2010)
 - City Council commit to fund the City's share of the cost of constructing the subway
 - Development charges
 - Federal funding fair share
 - Property taxes (phased in 2014-16 (principal and interest))
- Authority to seek the necessary approval under the Environmental Assessment Act to use the Transit Project Approval Process (TPAP)



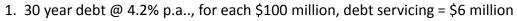
FINANCIAL RECOMMENDATIONS FOR SUBWAY OPTION

- > secure provincial commitment to transfer:
 - \$1.8 billion capital allocation (indexed & financed)
 - operating and maintenance provisions
- seek Federal contribution
- > seek DC Act legislative amendments
- prepare a development charges by-law amendment (based on maximum growth recovery (similar to TYSSE))
- begin tax increases in 2014



POTENTIAL FUNDING SOURCES

	Metrolinx Approved Budget for LRT (Adjusted from \$2010)		Metrolinx Figures per June 28, 2013 Letter (Adjusted from \$2010)			
(Nominal \$ millions from Report)						
Subway Option Cost Estimate	\$3,283	With Federal Assistance \$3,283	\$3,283	With Federal Assistance \$3,283		
Less Provincial Transfer Net Capital Incremental Cost	(\$2,448) \$835	(\$2,448) \$835	(\$1,991) \$1,320 ³	(\$1,991) \$1,320 ³		
Plus potential additional costs for SRT extension and decommissioning	\$250	\$250	\$250	\$250		
Net Potential City Incremental Capital Cost	\$1,085	\$1,085	\$1,570	\$1,570		
City Funding Sources:						
Federal Funding (50% of City share)		(\$418)		(\$660)		
Development Charges	<u>(\$209)</u>	<u>(\$104)</u>	<u>(\$330)</u>	<u>(\$165)</u>		
Total Potential Tax Supported Cost	\$876	\$563	\$1240	\$745		
Total Residential Tax Increase in 2014 ²	1.7%	1.1%	2.4%	1.6%		
Remaining increase in 2015 – 2016 if 0.5% implemented in 2014	1.2%	0.6%	1.9%	1.1%		
Estimated Future Annual Debt Service Charge ¹	\$41	\$26	\$57	\$38		



^{2.} Assumes 1% residential increase raises \$23.7 million in 2014.



^{3.} Escalated net capital incremental cost at \$925 million (\$2010) per Table 1.

KEY FINANCIAL RISKS/ASSUMPTIONS FOR SUBWAY OPTION

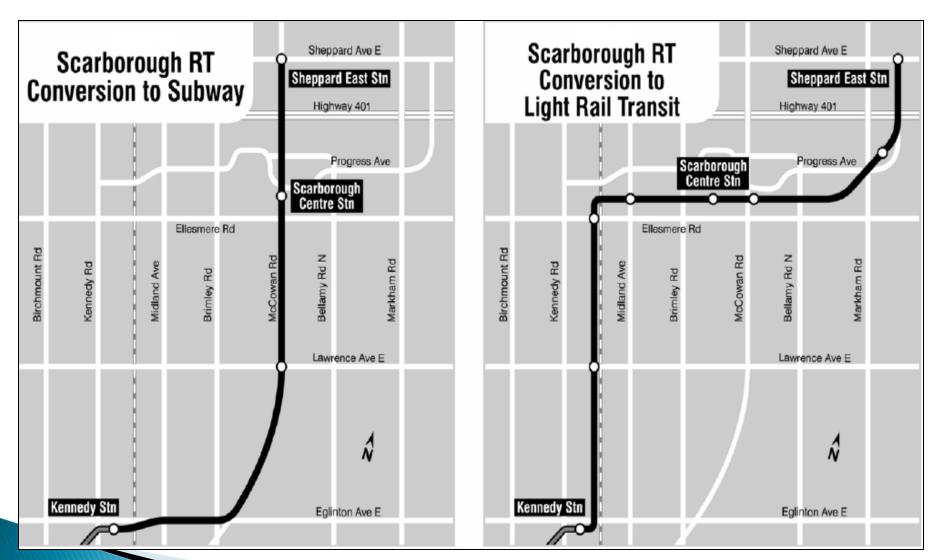
 transfer of provincial allocations – amount, timing, inclusion of O & M provisions

DC amendments, Federal funding participation

 debt market risk (future interest rate, 30 year term availability)



MAP: COMPARISON OF ROUTE ALIGNMENTS SUBWAY VERSUS LRT





COMPARISON OF LRT AND SUBWAY OPTIONS

	LRT	SUBWAY
ROUTE LENGTH	9.9KM	7.6 KM
NUMBER OF NEW	7	3
STATIONS		
SPEED (PROJECTED)	36 KM/H	40 KM/H
CUSTOMER	IMPROVED, EASIER TRANSFER	ELIMINATE TRANSFER AT
CONVENIENCE	AT KENNEDY STATION	KENNEDY STATION
ADVANTAGE		
RESIDENTS &	47,000	24,000
EMPLOYEES WITHIN		
WALKING ACCESS OF		
STATIONS		
ANNUAL RIDERSHIP	31 MILLION	36 MILLION
PROJECTED TO 2031		
PEAK HOUR RIDERSHIP	8,000 PERSONS/HR	9,500 – 14,000 PERSONS/HR
PROJECTED TO 2031 IN		
PEAK DIRECTION		
TECHNOLOGY CAPACITY	15,000 PERSONS/HR	30,000 PERSONS/HR
TRAVEL TIME- KENNEDY	15 MIN	10 MIN
TO SHEPPARD		



MAIN BENEFITS OF TECHNOLOGY OPTION

SUBWAY	LIGHT RAIL TRANSIT (LRT)
 HIGHER SPEED MOST-RELIABLE, HIGHEST-QUALITY SERVICE ELIMINATION OF TRANSFER AT KENNEDY STATION HIGHER RIDERSHIP (HIGHER SPEED AND ELIMINATION OF TRANSFER ATTRACT PEOPLE AWAY FROM OTHER SERVICES) NO NEED TO SHUT DOWN THE SCARBOROUGH RT DURING CONSTRUCTION OF A SUBWAY EXTENSION 	 GREATER OVERALL GEOGRAPHIC COVERAGE MORE STATIONS – BETTER LOCAL ACCESS LARGER POPULATION SERVED RELIABLE, HIGH-QUALITY SERVICE LOWER COST



Planning Considerations

- the network implications of the subway option have not been studied
- the LRT option focuses more on local travel needs, and provides opportunities for placemaking - creating complete communities within the City
- the subway option attracts a higher proportion of regional ridership
- adoption of subway technology could impact the ability to fund other priorities that are ultimately established through the Official Plan process



ASSESSING RAPID TRANSIT PROPOSALS

- "Feeling Congested" Phase 2 of City Official Plan Review (2013)
- Preliminary decision making framework for assessing rapid transit proposals currently being developed
- ▶ 8 criteria for assessing transit to build a great city:
 - Choice
 - Experience
 - Social Equity
 - Shaping the City
 - Healthy Neighbourhoods Public Health & Environment
 - Affordable
 - Supports Growth



IMPLICATIONS FOR TORONTO'S LONG TERM TRANSIT PRIORITIES

The decision to adopt subway technology could impact the ability to fund other transit priorities determined through the current Official Plan review process.

PRELIMINARY	PRELIMINARY
TOP 5 (NO SPECIFIC ORDER)	NEXT 5 (NO SPECIFIC ORDER)
 DON MILLS LRT, DOWNTOWN RELIEF LINE (EAST), SCARBOROUGH MALVERN LRT WATERFRONT EAST LRT. WATERFRONT WEST LRT, 	 BLOOR- DANFORTH SUBWAY EXTENSION DOWNTOWN RELIEF LINE (EXTENSION TO EGLINTON AVENUE), EGLINTON LRT EXTENSION TO PEARSON AIRPORT. JANE LRT, STEELES WEST LRT/BRT,

City Planning staff will report in late 2013 on results.

