Denzil Minnan-Wong
COUNCILLOR, DON VALLEY EAST, WARD 34

November 21st, 2013

Deputy Mayor Norm Kelly
Members of the Executive Committee
Clerk's Office
100 queen Street West
Toronto, Ontario
M5H 2N2

Re: Life cycle cost/business case approach for subways versus LRT

I am writing to request the City Manager,

Report to the July 2, 2014 Executive Committee meeting on an assessment of the full life cycle costs associated with light rail transit and subway technology including capital, operating and maintenance costs; and on a business case approach to assessing rapid transit projects and technology options from a financial and economic perspective.

Earlier this year, I wrote to the CEO of the TTC asking whether the TTC had any existing data or conducted any recent analysis of the full life cycle costs of building, operating and maintaining subways and light rapid transit. I did this because it is becoming increasingly apparent that simply looking at the initial capital costs of building transit irresponsibly ignores operating and maintenance costs, which could over time, become a larger public expenditure.

The response I received from Mr. Byford caused concern. As the attached correspondence indicates, the TTC will not undertake this analysis until 2018. In my view, and I suspect in the opinion of many members of Council and the public, we need as much information as possible to set priorities for our city's transit future.

I raised these concerns with the City Manager and he agrees that we must commence this analysis within this term of Council, particularly given the current long term transit planning exercises occurring at the City and the Province.

Furthermore, given the recent deliberations on transit which has consumed Council, it has also become clear that we need to better articulate a transit vision through objective criteria and not through politics. That is why I am recommending that the City Manager also report on a business case approach to transit project decision making that will apply a financial and economic assessment lens, and build upon current City Planning work through the Official Plan Review. The intent is to provide a comprehensive framework to inform decision making on transit projects that we as a Council may use to guide us in the future.

I present this recommendation for the Executive Committee's consideration.

Yours truly,

Denzil Minnan-Wong
Ward 34, Don Valley East

CITY OF Toronto
TORONTO CITY HALL, 100 QUEEN STREET WEST, SUITE C55, TORONTO, ONTARIO M5H 2N2
TEL.: (416) 397-9256 • FAX: (416) 397-4100 • E-MAIL: dminnan@toronto.ca