

Tracey Cook
Deputy City Manager - Infrastructure and
Development ServicesTransit Expansion
City Hall, 24th Floor
100 Queen Street West
Toronto, ON M5H 2N2Tel: 416-338-5222
Derrick.Toigo@toronto.ca
www.toronto.ca

2021 OPERATING BUDGET BRIEFING NOTE

Transit Expansion Funding Details

Issue/Background:

- At its meeting on January 22, 2021, Budget Committee requested the Executive Director, Transit Expansion Division to provide a briefing note on the following:
 - The status of Public Transit Infrastructure Fund 1 and 2 funds, including their allocation, spend and expiration dates.
 - A breakdown of the funding sources for the 2021 Operating (\$9.1 Million) and Capital budgets.
 - A breakdown of 2021 Full Time Equivalents working on the Eglinton East LRT and Waterfront LRT.

Key Points:

Public Transit Infrastructure Fund (PTIF)

- PTIF funding was spread across multiple divisions and agencies in previous budgets. The Transit Expansion Division had two projects under its purview for PTIF, namely the Eglinton East LRT (EELRT) and SmartTrack/Eglinton West LRT (EWLRT).
- The Transit Expansion 2021 Capital Budget and Plan does not include PTIF funding allocations.
 - The Eglinton East LRT project had received a PTIF allocation of \$2.4M of which \$1.9M has been claimed to support the technical and planning analysis scope of work.
 - The PTIF scope of work has been completed as it was phased to have the technical work completed in the required PTIF timelines.
 - The remaining PTIF funding balance will be replaced with the City's Capital Financing Reserve Fund to maintain the Council approved budgeted amount of \$7M for the project, of which \$3.1M is remaining and will be used to finalize the business case and commence work on the Transit Project Assessment Process (TPAP).
 - The SmartTrack/Eglinton West Light Rail Transit Planning and Design project received a PTIF allocation of \$11.1M of which \$2.7M has been claimed. The Province later identified the Eglinton West Light Rail Transit project as a priority transit project and it was uploaded to the Province.

- The PTIF agreement does not allow for the remaining PTIF funding of \$8.4M to be reallocated to fund other transit projects, and as a result it will go unused.
- Transit Expansion's 10 Year Capital Budget and Plan reflects \$585.0M in PTIF 2 (known formally as the Public Transit Infrastructure Stream (PTIS)) funding, which has been allocated to the SmartTrack capital project in 2025. The project must be substantially completed by October 31, 2027 per PTIS program requirements.

2021 Operating and Capital Budgets

- Transit Expansion's 2021 Operating Budget amounts to \$9.1M
- \$6.6M or 73% of the 2021 Operating Budget is recovered from Metrolinx to fund project staff and expenses for the Transit Expansion Division
- The remaining \$2.5M or 27% is funded by TEO's Transit Expansion Initiatives Capital Project account.
- The Transit Expansion Initiatives Capital Project account was created as a short-term solution to fund program, policy, finance and administrative staff working in TEO. TEO continues to work with City Finance in confirming permanent and sustainable funding sources.

Metrolinx	Capital Funding	Total Funding
\$6.634M	\$2.475M	\$9.109 M
73%	27%	100%

TEO Capital Funding Sources:

2021 Capital Budget		10-Year Capital Plan		
City of Toronto		City of Toronto	Provincial Funding	Federal Funding
\$43.8 M		\$983.0 M	\$0 M	585.0 M
100%		63%	0.00%	37%
Debt	\$33.8 M	Debt	\$95.8M	
Recoverable		Recoverable		
Debt	\$1.9 M	Debt	\$879.9M	
Reserve Draws	\$8.0 M	Reserve Draws	\$8.0 M	

Capital Budget and Plan

- The 2021 Capital Budget that amounts to \$43.8 M is 100% funded by the City.
- The 10-Year Capital Plan has a budget amount of \$1.6B and consists of: \$983.0M or 63% of the overall \$1.6B capital budget that is funded by the City, and the remaining \$585.0M or 37% that is funded by PTIF 2 (PTIS).

Waterfront LRT and Eglinton East LRT FTEs

- The breakdown of the 2021 Full Time Equivalent staff working on the Waterfront LRT and Eglinton East LRT is illustrated below.

Divisions	Waterfront LRT	Eglinton E. LRT
Toronto Transit Commission	8.00	
City Planning	0.75	1.50
Transit Expansion Division	1.00	2.00
Toronto Water	0.10	0.50
Waterfront Secretariat	0.10	
Total	9.95	4.00

- *Toronto Transit Commission (TTC)*
 - 8.0 FTEs will be supporting the Waterfront LRT project in 2021.
 - 7.5 FTEs will have direct project roles within the TTC's Major Projects and Project Management Office funded through the TTC's Waterfront Transit Capital Budget.
 - The remaining 0.5 FTE will be within the TTC's Strategy & Customer Experience Group and will be funded through the TTC's Operating Budget.
 - Resources to support the EELRT at this stage of the project will be minimal.
- *City Planning*
 - 0.75 of an FTE will support the ongoing Waterfront LRT work.
 - 1.5 FTEs will be used by City Planning to support EELRT.
- *Transit Expansion Division*
 - 1.0 FTE will be allocated to the Waterfront LRT project to provide coordination and support.
 - 2.0 FTEs will be allocated to the EELRT project to lead the TPAP, and overall coordination of external partners and stakeholder divisions.
- *Toronto Water*
 - 0.1 of an FTE will be allocated to Waterfront LRT to provide design review.
 - 0.5 of an FTE will be allocated to EELRT related to design review.
 - Additional field and technical staff may be required depending on stage of design review.
- *Waterfront Secretariat*
 - 0.1 of an FTE will be allocated to the Waterfront LRT project to provide supplemental coordination and support.
- *Waterfront Toronto* will continue to contribute by leading the consultant work on the project.

Prepared by: Warren Daniel, Senior Financial Analyst, Transit Expansion Division, 437-779-7581, Warren.Daniel@toronto.ca

Further information: Derrick Toigo, Executive Director, Transit Expansion Division, 416-338-5222, Derrick.Toigo@toronto.ca

Date: January 29, 2021