



**METROLINX**

# **Draft Investment Strategy**

**September 26, 2008**



Metrolinx is an agency of the Government of Ontario

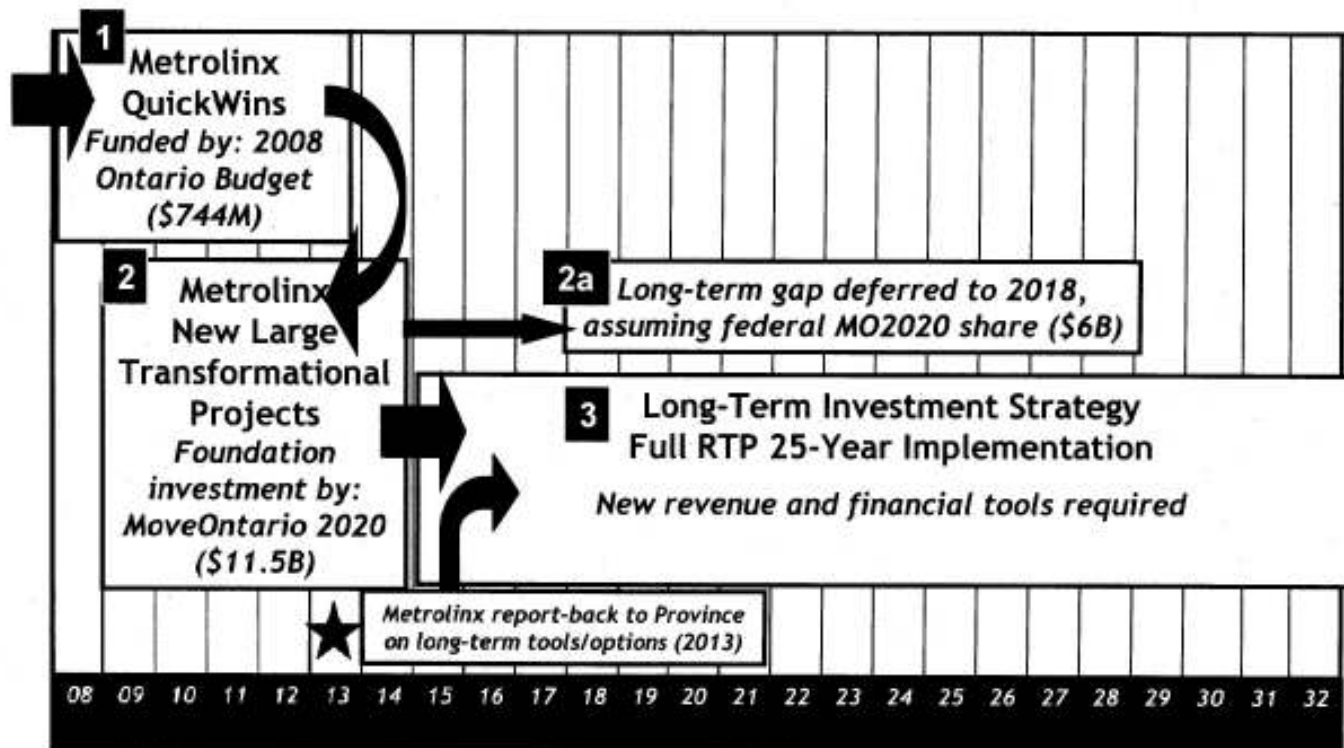
## **An Achievable Plan**

- > Economically and fiscally responsible
- > Immediately implements the Premier of Ontario's bold MoveOntario 2020 commitment
- > Construction start on first major transformational projects as early as 2009
- > 2015 in-service date for initial major projects
- > Report back in 2013 on long-term options to complete the Regional Transportation Plan, 2015 to 2033

## What People Told Us

- > Transportation congestion: A leading GTHA issue
- > A bold comprehensive plan needed - not incremental improvements
- > **Results first:**
  - Move forward with new projects first -- funded by existing resources
  - Build implementation credibility and track record first - before seeking new revenue and financial tools
- > Single-point of regional collaboration and accountability
- > Support by all three orders of government
- > Follow the international leaders

# 3-step Implementation Strategy



## Metrolinx Quick-Wins, 2008 to 2013

<i>Inter-Regional:</i>	GO Rail Fleet Expansion: Lakeshore Corridor GO Double-Decker Bus Fleet Expansion: Highway 407-403 Corridor GO Track Expansion: Barrie and Stouffville Corridors New bicycle-carrying devices on municipal transit vehicles Bicycle-storage spaces at stations across GO network
<i>Hamilton:</i>	B-Line Improvements, King-Main Corridor A-Line Improvements, James-Upper James Corridor James Street North GO/VIA Station Gateway to Niagara
<i>Halton:</i>	Early Phase Dundas Street Bus Rapid Transit Spine
<i>Peel:</i>	Dundas and Hurontario Higher-Order Transit Corridor Mississauga Transitway Hub, Airport-Renforth Gateway Bolton GO Transit Improvements
<i>York:</i>	Early Phase VIVA Highway 7 and Yonge Street Cornell Terminal
<i>Toronto:</i>	TTC Transit City Light Rail Transit (LRT) Head Start Yonge Subway Capacity Improvements Yonge Finch-Steeles Bus Rapid Transit
<i>Durham:</i>	Early Phase Highway 2 Bus Rapid Transit Spine

## Metrolinx RTP 15-Year Priorities

<i>Inter-Regional:</i>	First Phase of Lakeshore Express Rail from Hamilton to Oshawa* GO Rail Service System-Wide Improvements/Expansion Air-Rail Link from Pearson Airport to Union Station** Spadina Subway Extension to Vaughan Corporate Centre** Yonge Subway Extension to Richmond Hill**
<i>Hamilton:</i>	Rapid Transit from McMaster University to Centennial Parkway
<i>Halton:</i>	Early Phase Dundas Street Bus Rapid Transit Spine
<i>Peel:</i>	Hurontario Rapid Transit from Port Credit to Downtown Brampton 403 Transitway from Mississauga City Centre to Renforth Gateway** Highway 7 AcceleRide Bus Rapid Transit in Brampton** Phase 2 Dundas Street Bus Rapid Transit Spine
<i>York:</i>	Next Phase VIVA Bus Rapid Transit on Highway 7 and Yonge Street**
<i>Toronto:</i>	Eglinton Rapid Transit from Pearson Airport to Scarborough* Scarborough Rapid Transit Replacement/Extension* Finch/Sheppard Rapid Transit from Pearson Airport to Scarborough* Yonge Subway Capacity Improvements**
<i>Durham:</i>	Next Phase Highway 2 Bus Rapid Transit Spine

\* Currently undergoing Metrolinx Benefits Case and Provincial AFP evaluation

\*\* From previous commitments

## Financial Plan Key Assumptions

<i>Capital:</i>	Major construction start in 2009 New rapid transit capital assets amortized over the life cycle (under Ontario or Metrolinx title) Borrowing arranged by Ontario Financing Authority Alternative Financing and Procurement (AFP) evaluation screen - a Provincial and Federal requirement Sound asset management/continuous rehabilitation discipline over life cycle Rehabilitation costs start in 2020
<i>Operating:</i>	Metrolinx will not intervene in transit agency operating and maintenance practices New regional commuter and express rail services will be operated by GO or Metrolinx Other new rapid transit services will be operated by municipalities Major new transit operating costs start in 2015

## Investment is Reasonable

The investment in regional transportation expansion is \$50 billion over the next 25 years\*

- A small price to pay at the individual level
- Value to be measured by: reduced commute times, greater choice and flexibility in transportation options, smaller carbon footprint
- Starts at \$162 per GTHA citizen per year, or 44 cents per day\*\*
- Reaches \$470 per citizen in 2033 or \$1.30 per day

\* Rapid transit and RTP policy/program capital expansion

\*\* Includes MoveOntario 2020 foundation investment



## **Advantages of Metrolinx Leadership and Accountability**

- > Public control of projects
- > Single point of accountability for implementation progress.
- > Manage a long-term, multi-project capital program with funding predictability and stability
- > A more consistent, reliable funding commitment means people can see results and benefits faster
- > Continued public and stakeholder participation to shape future priorities

## **Proposed Next Steps - Fall 2008**

- > Public and stakeholder consultation in tandem with the RTF process
- > Final Investment Strategy for Board review in November 2008
- > Implementing the Investment Strategy
  - Consistent with final approved RTP
  - Metrolinx five-year rolling capital plan
  - 2009 Provincial Budget process
  - Project-level Benefits Case analysis
  - AFP evaluation framework
  - Land Value Capture (LVC) workplan

## Draft Recommendations

- > Confirm \$11.5B MoveOntario 2020 commitment
  - Option: Assign dedicated revenue stream to Metrolinx to support debt-financing equivalent to MoveOntario 2020
- > Secure the requested one-third \$6.0B federal share
  - For total MoveOntario 2020 commitment of \$17.5B
- > Commit to initial project implementation in 2009:
  - Major transformational rapid transit priorities
  - Metrolinx policy and program priorities
- > Confirm rapid transit asset title strategy
  - In collaboration with Province, municipalities and transit agencies
- > Metrolinx to report back in 2013 with long-term financial revenue and financial options:
  - To complete full RTP expansion plan, 2015/18 to 2033
  - To establish sustainable transit rehabilitation and operating cost model