YORK REGION RAPID TRANSIT CORPORATION

Steering Committee

October 16, 2008

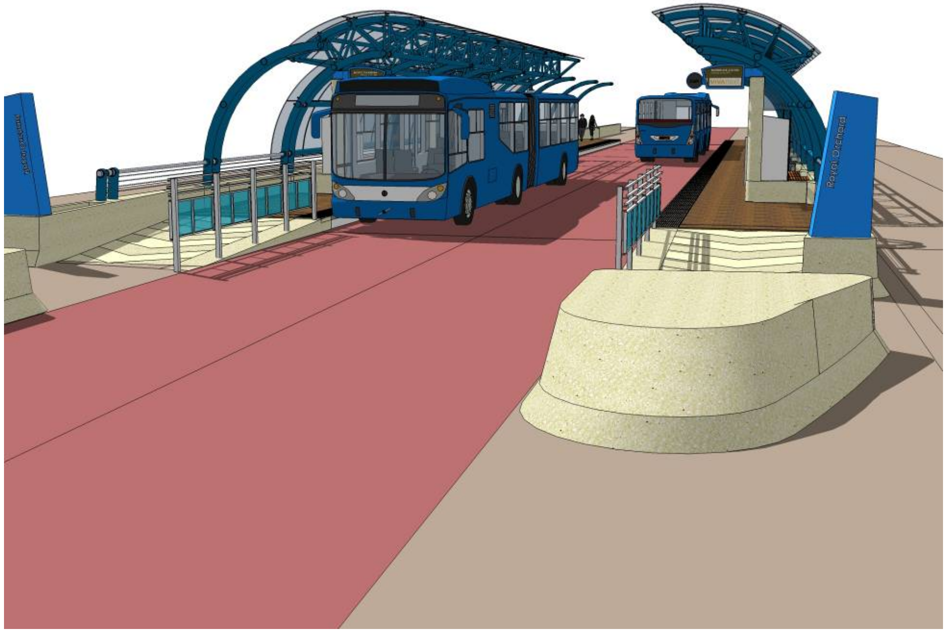
vivanext

Agenda

1. Yonge Subway Advisory Task Force – Report 3
2. Viva BRT Monthly Report - October 2008
3. Subway Extensions Monthly Report – October, 2008
    - Yonge Subway Extension
    - Spadina Subway Extension
4. vivaNext - H3 - Enterprise Simcoe Promenade - Warden Property Acquisition
5. Metrolinx Draft Regional Transportation Plan
6. Metrolinx Draft Investment Strategy Update
7. Metrolinx Program Delivery Update

vivaNext BRT

- Key Preliminary Engineering activities for H3 corridor continue to make good progress -- finalize Guaranteed Maximum Price and Construction Program by end of April 2009.
- Station design for Y2 and H3 is 40% complete.

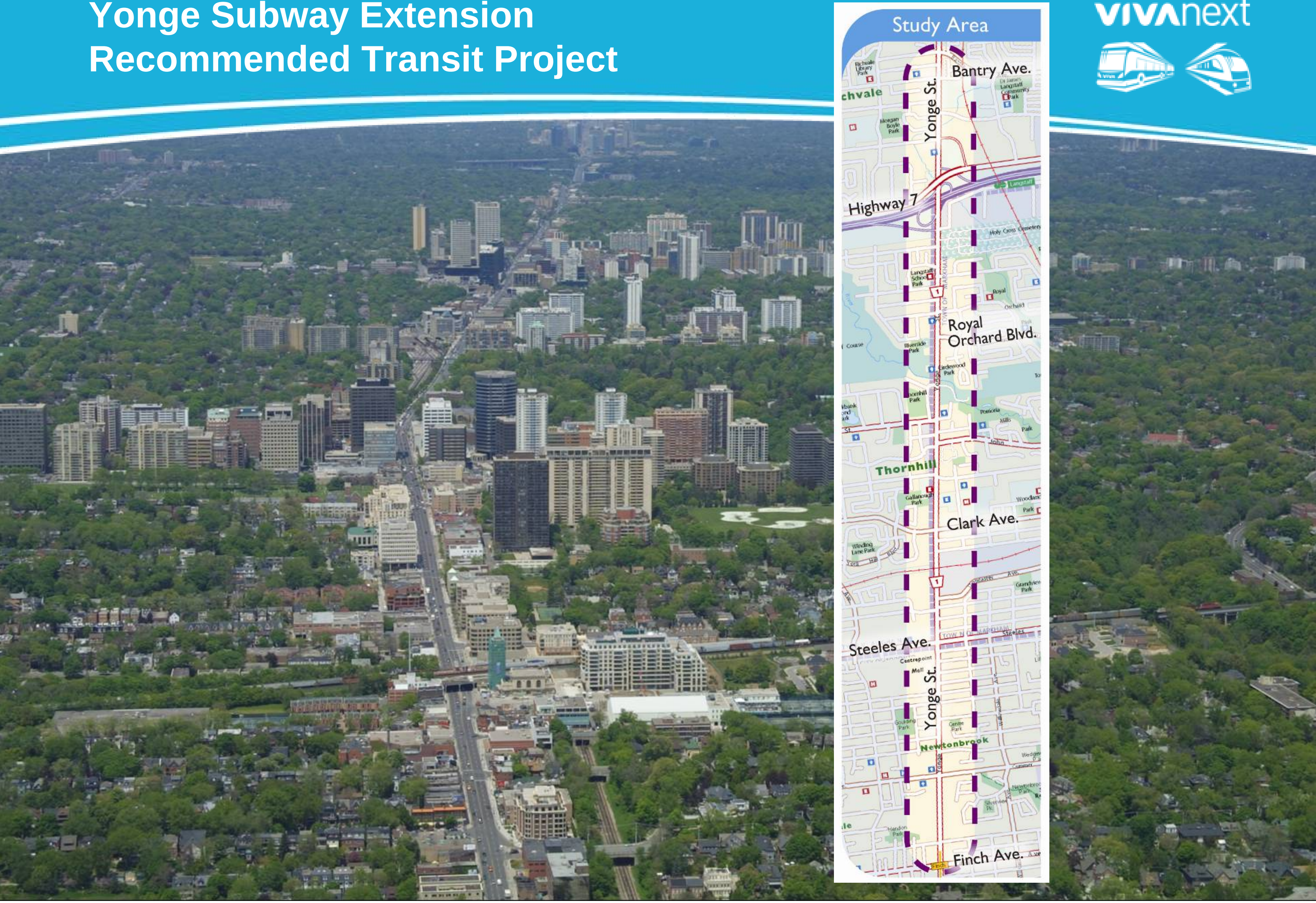


vivaNext BRT

- PE activities for Y2 corridor continue to make good progress to finalize capital cost estimate and Implementation plan by end of April 2009.
- YC2002 has commenced conceptual design for Hwy. 7 rapidways from Richmond Hill Centre to Pine Valley Drive.
- Preferred alignment along Davis Dr. from Yonge St. to hospital has been determined with Town of Newmarket.
- Discussions held with Newmarket Hydro regarding PowerStream study -- examine possibility for undergrounding transmission lines for Newmarket – this will be added to Giffels study.
- City of Toronto has commenced York University to Downsview Busway project -- staff is working with TTC and Toronto for inclusion of new Vivastations.
- Civil construction for Jefferson Vivastation is complete, and station will open in November.
- PE of Savage Road Vivastation is underway, with construction scheduled for spring 2009.

- Communications and Public Engagement Activity - September
  - Newmarket
  - Richmond Hill Centre
  - Markham Centre
- Communications and Public Engagement – upcoming
  - November 17 – Richmond Hill & Vaughan presentations to Council.
  - November 25 – Markham Development Services presentation.
  - November 26 – BRT, Highway 7 Public Consultation Centre.

Yonge Subway Extension
Recommended Transit Project



Yonge Subway Extension
Recommended Transit Project

- Following several workshops with local and municipal stakeholders, and an interactive public meeting on Sept. 25, a notice of commencement was mailed to residents along alignment and released to the press on Oct. 3.

- The proposed project will include:
  - 6.5km extension from Finch to Richmond Hill Centre
  - Six stations
  - Heritage-style bridge over East Don River
  - Intermodal bus terminals will be required as part of the Steeles and Richmond Hill Centre Station developments.
  - Commuter parking at Longbridge/Langstaff will reduce use of existing Finch facilities -- significantly reducing peak traffic on Yonge St.

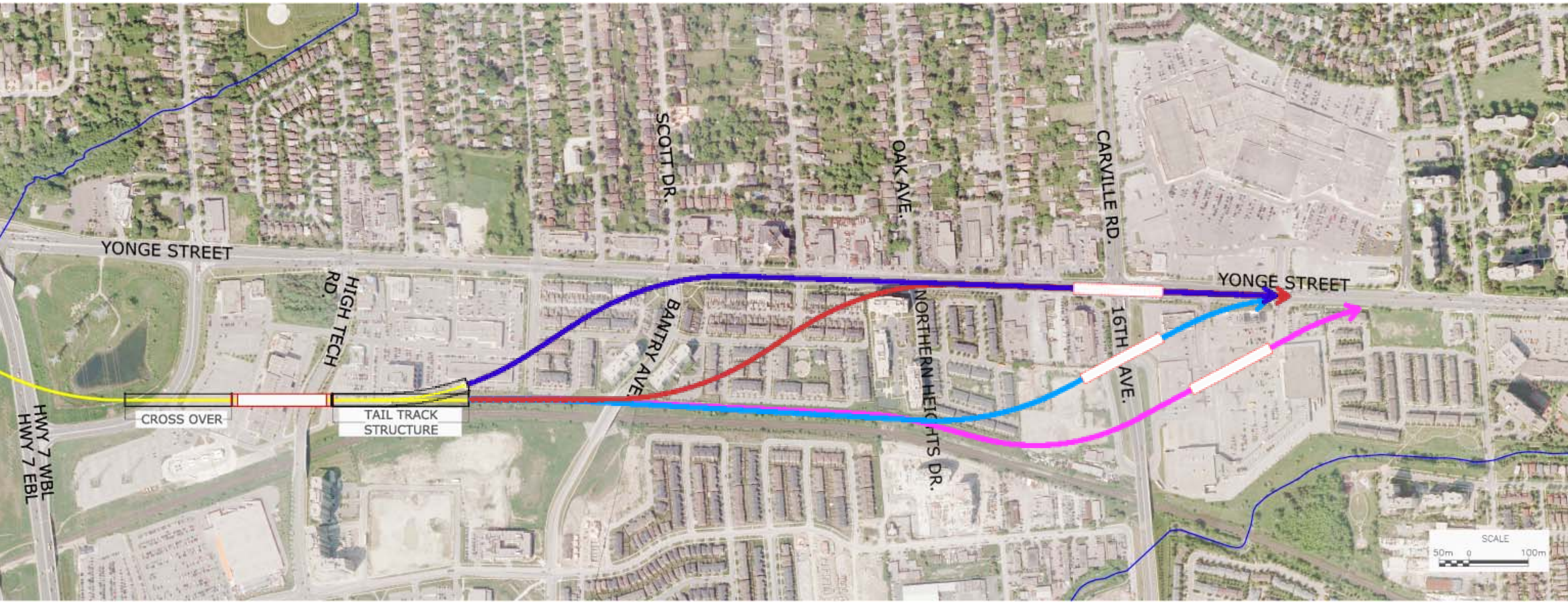
Yonge Subway Extension
Recommended Transit Project

- Six stations
- Two terminal stations
  - Steeles – Bus Terminal
  - RHC – Bus Terminal
- Bridge over East Don River
- Alternative alignments into Richmond Hill

	6	Richmond Hill Centre	Key intermodal passenger terminus of subway
1123 m			
	5	Longbridge/ Langstaff	High potential for intensification Key location for park-and-ride that works in tandem with Richmond Hill Centre
954 m			
	4	Royal Orchard	Good opportunity for intensification of existing medium density development
1668 m			
	3	Clark	Good transit connections to local routes Opportunity for intensification along with existing medium and high density development
1067 m			
	2	Steeles	Numerous connections between bus and subway
1204 m			
	1	Cummer/ Drewry	Good transit connections to local routes Good opportunity for future live/work development
794 m			
		Finch	Part of existing transit system

- Working with municipalities to refine alignmnent options at Richmond Hill Centre – with expectation that alignment ‘C’ will emerge as the preferred option.
  - **Richmond Hill** has endorsed alignment ‘C’ with the proviso that further extensions do not preclude a station in vicinity Yonge St. and 16th Ave. Alignment ‘A’ remains open for further consideration.
  - **Markham** has endorsed alignment ‘C’.
  - **Vaughan** has endorsed Langstaff/Longbridge station and bridge over East Don River with understanding that noise and aesthetic and environmental concerns will be adequately addressed.

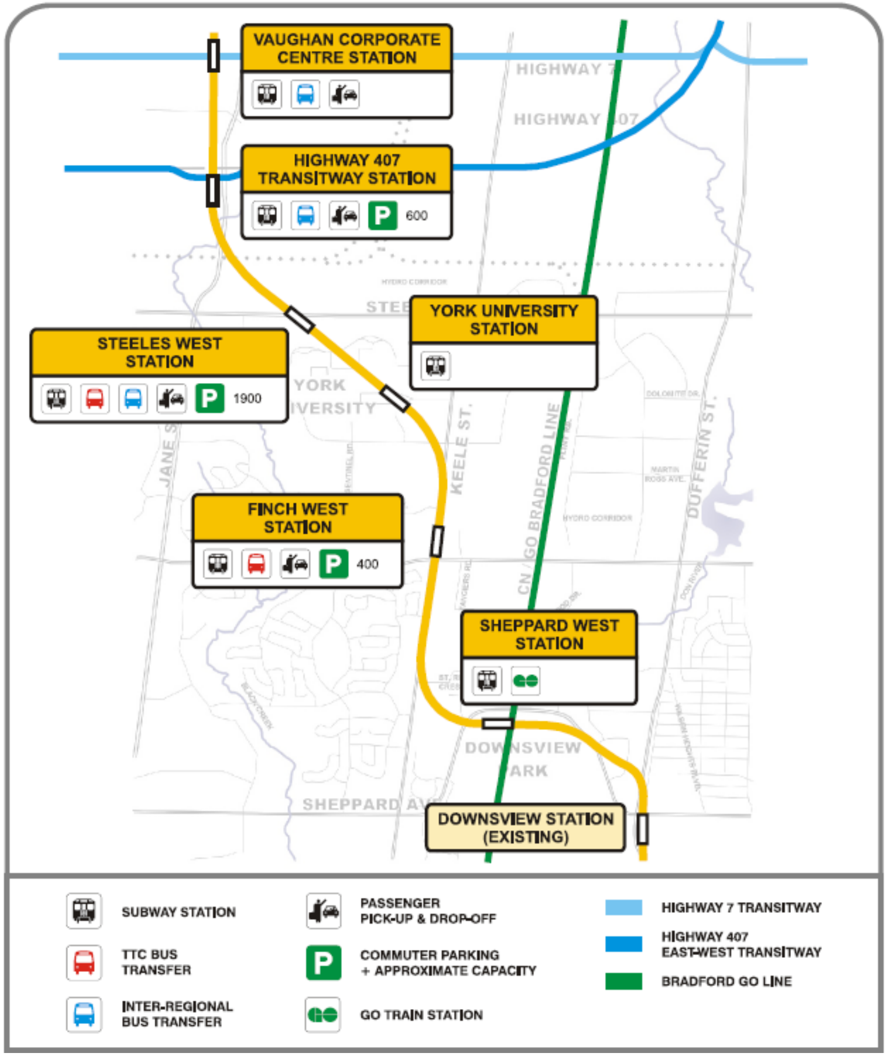
alignment C options to 16th avenue | carville road



Yonge Subway Extension
Recommended Transit Project

- Environmental report being prepared and draft technical papers will be made available to public for review and comment over 30 day review period -- October 17 to November 17.
- Further public consultation is planned.
  - October 16 – Toronto Public Consultation
  - November 26 – Public Consultation Centre #3

Toronto York Spadina Subway Extension Project



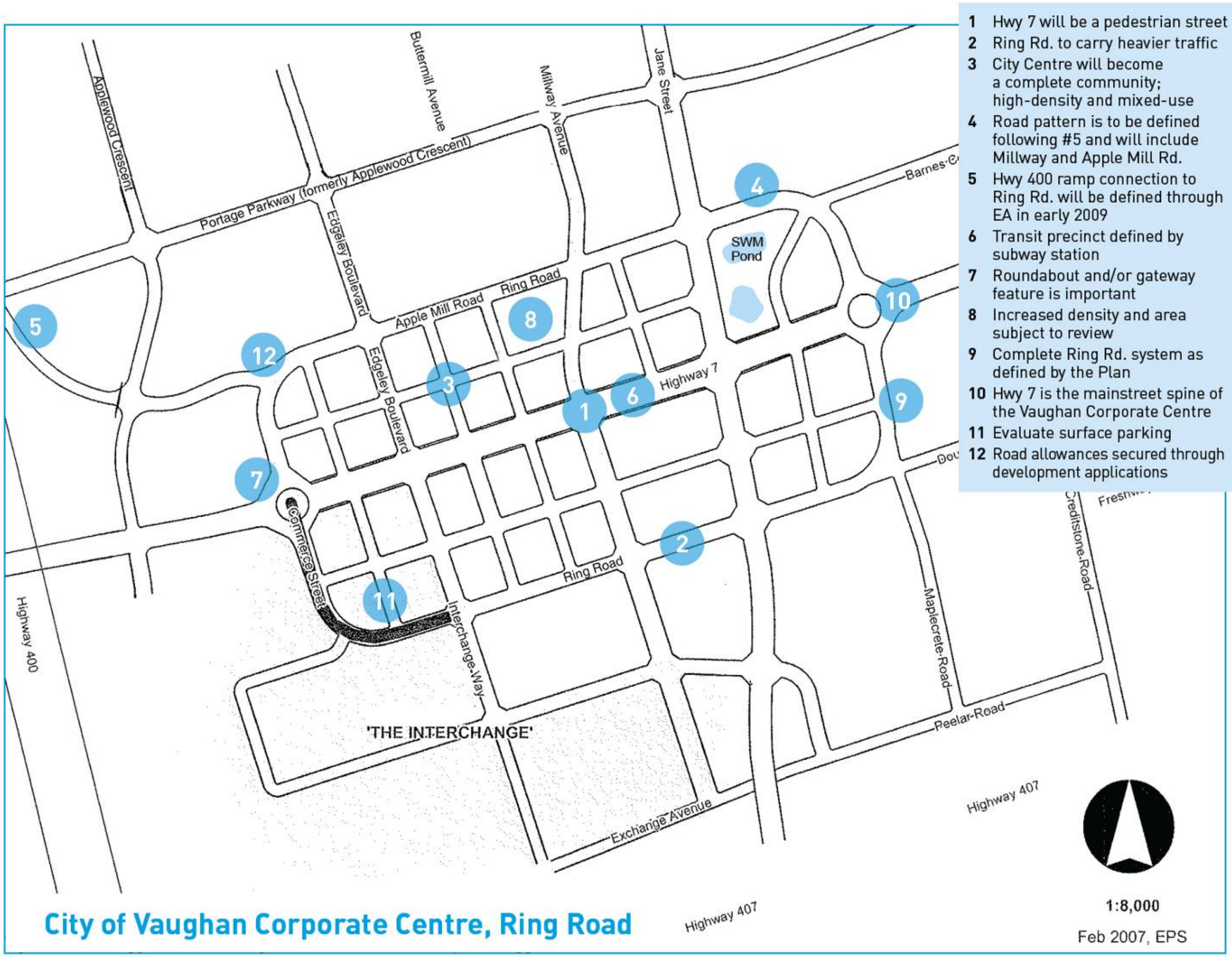
Toronto York Spadina Subway Extension Project

- Spadina Subway Extension is fully funded for design and construction -- project continues on time and on budget.
- Project office opened May 2008 -- project team supplemented with staff from Stantec, Hatch Mott McDonald and Delcan.
- Independent Engineer retained -- former Veolia, Delcan and YC 2002 team member.
- Schedule continues to be developed to finer levels of details – simultaneous station construction in York and Toronto.
- Steeles West station is on critical path and is most complex station -- triple track structure.
- TTC report shows split terminal arrangement at Steeles -- 6 YRT bus bays on York lands north of Steeles, and 12 TTC bus bays on York University land south of Steeles.
- Staff are engaged with TTC and Toronto in selecting design consultants for station designs that will take each station up to 30% design level.

Toronto York Spadina Subway Extension Project

- Joint work program between Vaughan, TTC and YRRTC is underway to develop solutions for East-West road, parking and stormwater ponds -- satisfy constraints and mitigate risks related to Hydro One and UPS.
- Proposals under review for Geotechnical services and tunnel liner design.
- Expressions of interest have been sought for tunnel boring machines, and TTC is currently reviewing construction staging options
- 2 day Value Engineering workshop was held -- endorsed design-build approach, with some Systems retained by TTC under a direct procurement approach.
- Review undertaken by City of Vaughan, YRRTC and Regional Staff to develop principles to guide design and planning around Vaughan Corporate Centre -- further workshops to be held with other stakeholders, including TTC, to develop recommended surface design.

Toronto York Spadina Subway Extension Project



Markham Civic Mall Rapidway

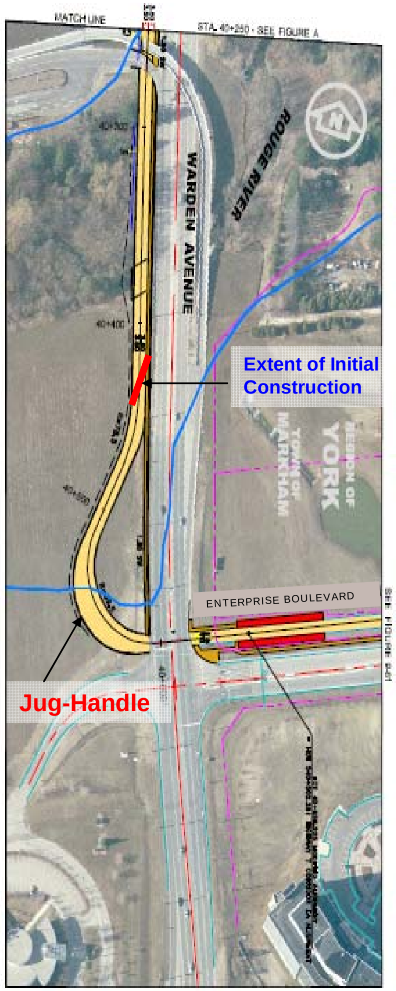
Early construction of Civic Mall rapidways is scheduled

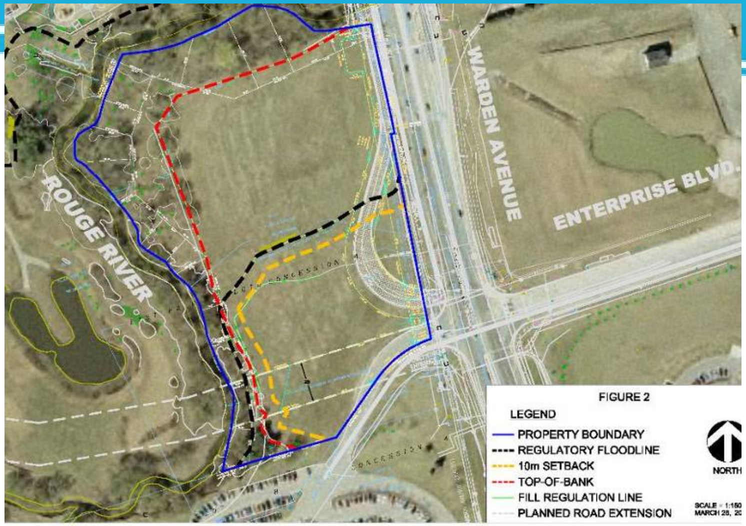
- To be ready for construction of park elements in 2009 -- underground civil works scheduled for this fall with completion in spring 2009.

Recommendations

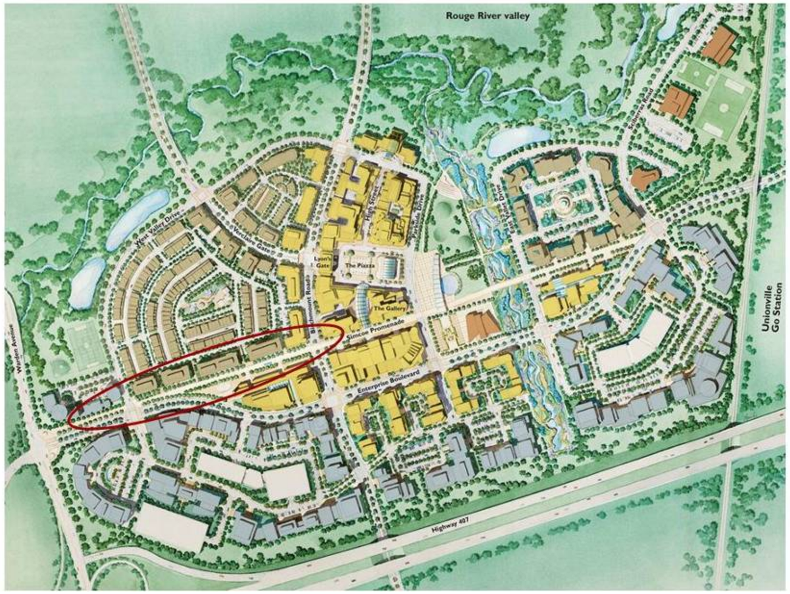
- Council authorize staff to work with MTO and Metrolinx to reallocate $16M from Quick-Wins budget to fund property acquisition and construction.
- Council authorize Regional Chair and Clerk to execute a purchase and sale agreement with Ontario Realty Corporation for Warden Ave. lands.

Markham Civic Mall Rapidway





Location of Civic Mall construction within Markham Centre



Metrolinx Regional Transportation Plan

Metrolinx Investment Strategy

- Metrolinx Investment Strategy was tabled at the Metrolinx Board Meeting on September 26, 2008:
  - Evaluate potential revenue sources and financial tools to deliver the Regional Transportation Plan (RTP) recommendations.
  - Maintain GTHA existing transportation infrastructure.
  - Support operating costs of current and future transit services.
- Metrolinx to be single point of coordinated investment planning and public accountability for delivering next wave of major transit projects.

Metrolinx Investment Strategy

Investment Strategy guiding principles developed to shape all future investment decisions:

- Regional or metropolitan focus
- Invest where it matters most
- Prudent financial management
- A system that works and is accountable
- Risk management and project implementation discipline

Metrolinx Investment Strategy

Three phase strategy:

1. Quick-Wins projects - underway and to be completed within 5 years:
   - Preliminary Engineering, Vehicles, Intelligent Transportation Systems for 67 kms. of BRT on Hwy. 7 and Yonge St. north of Hwy. 7, Davis Dr. and Green Lane - $100 million
   - Cornell Terminal – Land, additional stops, PE - $5.6 million
2. Major new “transformational” projects in next 15 yrs. based on MoveOntario 2020 foundation investment and any newly identified projects in RTP.
   - Includes Spadina Subway – funded outside of MoveOntario 2020 funds
   - Yonge Street Subway Extension - $2.1 billion
   - Viva BRT - Highway 7 and Yonge Street north of Highway 7 - $3.0 billion
   - All three are in the top 15 Metrolinx priority investments
3. Full Vision of the Metrolinx RTP - covers a 25-year period

Metrolinx Investment Strategy

Funding Sources

- Investment Strategy will remain silent until 2013 on long-term, sustainable revenue sources to fund operating, rehabilitation and capital expansion.
  - MoveOntario 2020 projects will be financed through debt arranged through the Ontario Financing Authority
  - Early construction financing to be considered at an individual project decision-making level, based on the selected procurement and delivery model
  - Options for a potential suite of long-term financial tools to fund and sustain the complete 25-year Draft RTP vision, and long-term sustainable funding of transit operating and rehabilitation costs will also be addressed in 2013 in the Metrolinx Investment Strategy report to the Ontario government.
- The Investment Strategy recognizes that post-2015, new long-term revenue and funding instruments will be required.
  - $50 billion of transit and transportation expansion over 25 years
  - Metrolinx will start investigating land value capture opportunities immediately

Metrolinx Investment Strategy Tools under Consideration Post-2015

Option Categories	Specific Tools
Traditional government sources	• Capital fund, grant, trust, etc. • Operating subsidies
Beneficiary fees	• Property tax • Development charges • Participation/contribution agreement by developers • Land value capture • Sales tax • Payroll tax
User fees	• Gas tax • Driver license fees • Vehicle registration fees and sales tax • Parking tax • Tolls on specific transportation facilities • System-wide real-time capacity pricing • Transit fares
Debt financing	• Borrowing/mortgaging • Equity investments • Infrastructure bonds • Tax increment financing

Metrolinx Investment Strategy

- Recommends Metrolinx immediately begin to strategize on capturing a portion of the value of land value uplifts.
- Recommends collaboration with province, municipalities and other partners on strategies to “capture” and dedicate land value uplift.
- Range of potential near term tools includes:
  - Development charges
  - Land Value taxation - value enhancements due to transportation improvements
  - Tax Increment Financing - increase in future property taxes
  - Business Improvement Area levies
  - Property owners pay a share of proceeds from property sales
  - Joint development between Metrolinx, municipalities, and private investors

Key Assumptions in the proposed Financial Plan include rapid transit asset ownership by the Province

- Large projects should be submitted for Alternative Financing and Procurement evaluation.
- New capital assets should be under title of the Province or Metrolinx to allow the Ontario government to amortize its investment over the life of the assets.
- Day-to-day responsibility for transit operations remain the responsibility of existing transit service providers.
- Capital assets to be maintained over their life cycle using sound asset management principles.

Metrolinx Investment Strategy

- Benefits Case, 5-Year Capital Plan, and Procurement and Value-for-Money evaluations will help refine the final Investment Strategy.

- Project-level analysis expected for Board review at Oct./Nov. meetings.
  - 5 Yr. Capital Plan - refine Investment Strategy project cost and phasing-in estimates.
  - Benefits Case results - provide detailed range of economic, environmental and social cost and benefit scenarios to support the Board's decision on project scope, alignment and technology choice.
  - Expect first procurement and value-for-money evaluation results - support Board's decisions on how best to deliver and finance projects.

Financial Implications

- We have received $67.6 million in cash to commence project works.
  - $5.6 million for Cornell Terminal
  - $52 million for Hwy. 7 Preliminary Engineering, vehicles and ITS
  - $10 million for Yonge Street/Davis Drive Preliminary Engineering from Richmond Hill Centre to Green Lane
- We are requesting a reallocation of a portion of funds provided for ITS to fund early capital works on Enterprise Dr – Markham Civic Mall.
- Estimated project costs for vivaNext projects and Yonge Street Subway extension are $3 billion and $2.1 billion, respectively

Recommendation

- Staff report back to Council on the financial implications to the Region, if any, for the implementation of vivaNext and the Yonge Street Subway Extension as addressed in the final investment strategy, expected in November 2008.

Metrolinx Program Delivery Update

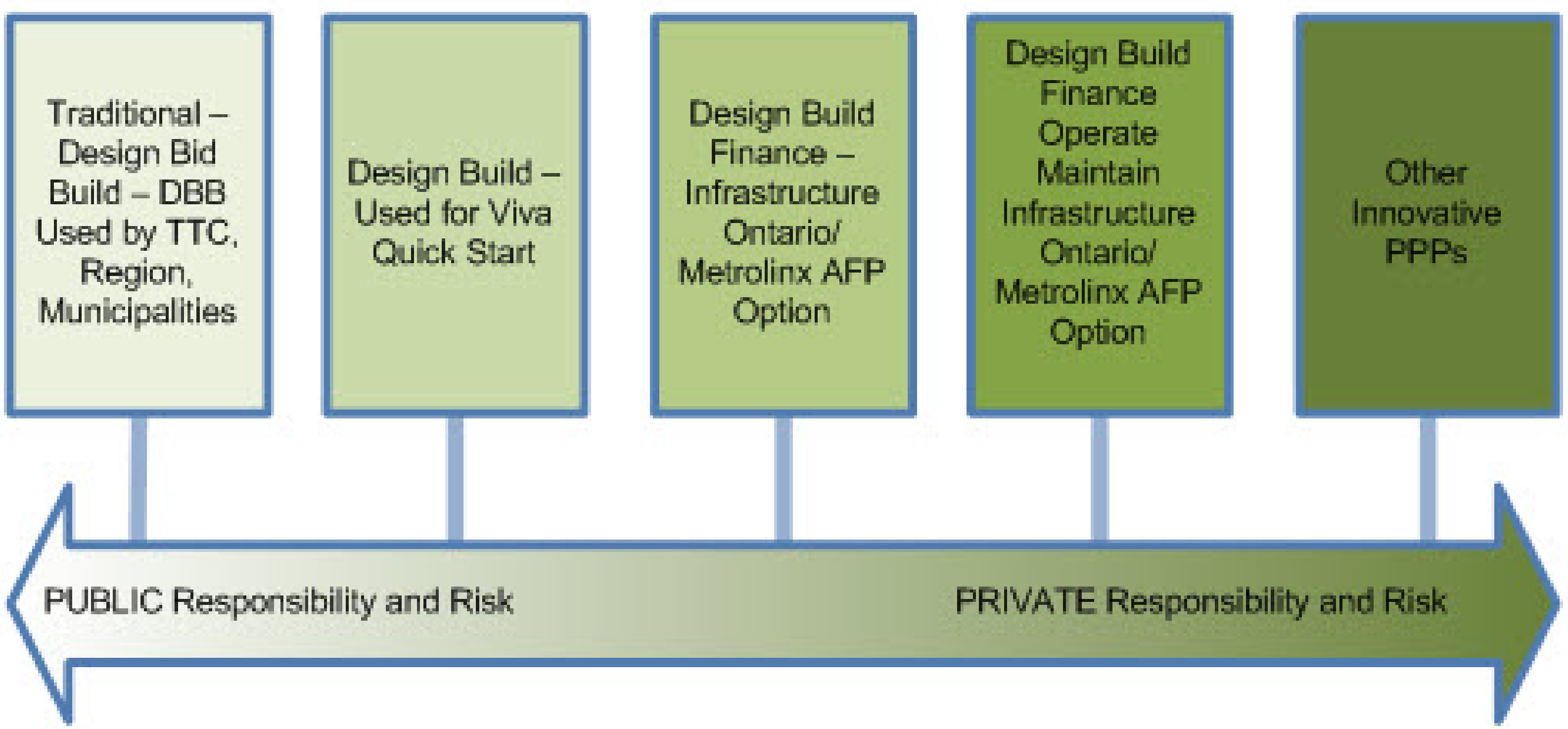
- Metrolinx is responsible for evaluating, prioritizing and recommending an implementation action plan and alterations to the MoveOntario 2020 project list that will form the core of the Regional Transportation Plan

- Three different project delivery models have been discussed:

  1. Category A - Metrolinx approved projects, not funded by Alternative Financing and Procurement (AFP) model - delivered by municipalities/transit authorities.
     - Example: Quick Wins 1 and 2 projects
  2. Category B – Projects procured through an AFP model - delivered by Infrastructure Ontario or special purpose corporation.
     - Example: vivaNext Capital construction
  3. Category C - Project delivery by Metrolinx.
     - Example: SmartCommute programs; Regional intermodal terminals; Regional Trip Planner

Metrolinx Program Delivery Update

"Each RTP project should be implemented utilizing a procurement model that maximizes the ability for Metrolinx to implement projects quickly, but that also limits exposure to project risks."



Metrolinx Program Delivery Update

Deferred Project Delivery Schematics

	Category A Projects	Category B Projects	Category C Projects
Project Delivery Method:	Delegated Project Delivery - Non-Alternative Financing and Procurement	Assigned Project Delivery – Alternative Financing and Procurement	Metrolinx Direct Project Delivery – Non-Alternative Financing and Procurement
Examples	Preliminary Engineering; Design-Build or Design-Bid-Build projects: Quick-Wins 1 and 2 elements – components that make up the $105.6 million; Yonge Street Subway Extension	Capital construction and delivery of rapidways and stations	SmartCommute programs; Regional intermodal terminals; Regional Trip Planner
Definition of Project Parameters	Municipality/Transit Agency, RTP and Benefits Case	Municipality/Transit Agency, RTP and Benefits Case	Municipality/Transit Agency, RTP and Benefits Case
Performance Agreement: Scope, Design, Cost	Municipality/Transit Agency, Metrolinx, Ontario, Canada	Municipality/Transit Agency, Metrolinx, Ontario, Canada, Infrastructure Ontario	Municipality/Transit Agency, Metrolinx, Ontario, Canada
Delivery Responsibility: Changes to Scope, Schedule, Cost	Municipality/Transit Agency, Metrolinx	Infrastructure Ontario, Metrolinx	Metrolinx
Project Management: Procurement, Construction, Contract	Municipality/Transit Agency	Infrastructure Ontario or special purpose corporation	Metrolinx

Metrolinx Program Delivery Update

- Project delivery schematics lead to questions of accountability and ownership for design, property impacts, delays, and ongoing operating cost impacts.
- Staff has identified 5 core principles that should guide the implementation of rapid transit projects in York Region.

  1. Follow-through on the integrity of the developed and endorsed design elements of the York Region rapid transit system is critical.
  2. Clear accountability and roles for the project must be established in the short and long term and recognize the Region’s investment in achieving community acceptance in the project to date.
  3. Timely delivery of projects in York Region is critical.
  4. Region must be a proponent in the design, materials, timing and cost of the rapid transit system if it is going to retain the operating and maintenance costs and risks.
  5. Region has established a corporation with an established track record for delivering on-time, on-budget rapid transit projects that should be considered as a “special purpose corporation” to deliver rapid transit projects in York Region.

Recommendations

1. Council endorse the five project delivery principles identified in this report.
2. Council authorize staff to communicate these principles to Metrolinx for the purpose of having them addressed in the resubmitted CEO Program Delivery report.
3. Staff report back to Committee and Council on the outcomes of the governance dialogues with Metrolinx.