

THE REGIONAL MUNICIPALITY OF YORK

Rapid Transit Public/Private Partnership Steering Committee

April 16, 2009

Joint Report of the

Vice President, York Region Rapid Transit Corporation

and

Commissioner of Planning and Development Services

METROLINX PROJECT PRIORITIZATION FRAMEWORK PRINCIPLES

1. RECOMMENDATIONS

It is recommended that:

1. Council endorse the comments on the Metrolinx Project Prioritization Framework Principles as set out in Section 4.1 of this report.
2. The Regional Clerk forward a copy of this report to Metrolinx as York Region's position on the Project Prioritization Framework Principles.
3. The Regional Clerk circulate copies of this report to the York Region area municipalities for their information.

2. PURPOSE

The purpose of this report is to provide information and staff comments on the Metrolinx Project Prioritization Framework Principles. When finalized, this prioritization framework will be used by Metrolinx to determine the order in which GTA/H transit projects receive Provincial funding.

3. BACKGROUND

The Metrolinx Board recently received and endorsed a report containing the principles and criteria for a proposed Project Prioritization Framework

On February 20, 2009 the Metrolinx Board received and endorsed a report regarding the Project Prioritization Framework Principles (*Attachment 1*). The recommended principles are as follows:

- A clear, logical and transparent Framework.
- An evidence-based and data-driven Framework.
- Consistent, region-wide application of the Framework across the Metrolinx Top 15 Priority Projects.

- Builds on the goals and objectives in The Big Move and project-level evaluation work completed through the Metrolinx Benefits Case Analysis (BCA) process.
- Accommodates strategic policy preferences and weightings as may be directed by the Board rather than a strictly quantitative-driven and prescriptive process.

The report also recommends that criteria within the following categories should guide the development of the Project Prioritization Framework:

- Transportation customer and user benefits
- Financial impacts
- Environmental impacts
- Economic development impacts
- Social and community impacts
- Other impacts as appropriate (e.g., potential network implications)

Metrolinx staff has consulted with Region staff regarding this framework. They will be presenting the next version of the Prioritization Framework to their Board in May 2009. In July 2009, they will then present the final report along with recommendations for prioritizing the Regional Transportation Plan Top 15 Priority Projects.

VivaNext is one of two projects that have already received Metrolinx approval for funding

The Business Cases Analysis for VivaNext, which includes rapidways on Yonge Street from Highway 7 to Newmarket, Highway 7 from Highway 50 to Cornell and Davis Drive from Yonge Street to the hospital, was approved by Metrolinx in October 2008. This project, along with the Sheppard East LRT project in Toronto, has already been recommended by the Metrolinx Board for priority approval of Provincial funding and is not subject to the subsequent Prioritization Framework. However, the Metrolinx Board recommended that no further projects be recommended for funding until the Business Cases for all of the Top 15 projects identified in The Big Move (the Regional Transportation Plan) had been presented along with the Project Prioritization Framework.

In addition to the two projects recommended by Metrolinx, four other projects had pre-existing commitments for funding, which pre-date the establishment of Metrolinx. These four other projects are:

- The Spadina Subway Extension
- The Mississauga Transitway
- The Peel Queen Street Rapid Transit
- The Pearson Airport-Union Rail Link

Of the remaining projects from the list of Top 15 priorities, the projects that directly affects York Region are the Yonge Subway Extension and GO Rail Improvements. These projects will be compared to the other remaining transit projects that have been identified throughout the GTA to assign a priority ranking.

The Project Prioritization Framework is part of the overall process for Metrolinx to determine which projects should receive Provincial funding

The first step towards implementation of a rapid transit project is for it to be identified in the Metrolinx Regional Transportation Plan (The Big Move), and to be identified as an early priority. The Big Move identified the Top 15 priority projects, of which 3 are in York Region:

- The Spadina Subway Extension
- The Yonge Subway Extension
- VivaNext (Yonge Street , Highway 7 and Davis Drive)

Other rapid transit projects were identified in York Region but not included in the Top 15 priorities.

It is the responsibility of each proponent of a rapid transit project to advance the project by completing any necessary environmental assessments, background studies, etc. Input is provided by the proponent to Metrolinx on the exact project scope, cost, benefits, need, etc. Metrolinx prepares the overall Business Case Analysis (BCA) for the project for presentation to the Board. As indicated earlier, two business cases have been presented and approved by the Board. The remaining BCA's will all be presented to the Board by this summer. The BCA for the Yonge Subway Extension is anticipated to be presented in the spring.

Each project also requires an Alternative Financing and Procurement (AFP) analysis to be completed by Infrastructure Ontario. A value for money analysis was conducted on the vivaNext bundle of projects confirming that value could be achieved by using an AFP delivery model. Yonge Street, from Richmond Hill Centre to 19th Avenue (Y2) and Highway 7, from Pine Valley Drive to Richmond Hill Centre (H2), will be the first two projects to be delivered through an AFP with Infrastructure Ontario. It is anticipated that Centre Street, from Dufferin Street to Bathurst Street, will be done in advance, outside of the AFP process.

4. ANALYSIS AND OPTIONS

The process presented so far by Metrolinx is fair and equitable across the Greater Toronto Area and Hamilton

The development of a prioritization framework such as this is a difficult process. There are numerous factors and variability amongst all rapid transit projects and each one is unique in many aspects. The challenge when developing a framework such as this is to be able to capture the overall benefit of each project in a limited number of factors that can be used to evaluate it against other projects on a consistent basis.

Overall, the process developed by Metrolinx appears to be fair and equitable. They are in the best position to be able to compare all of the projects recommended across the GTA/H in an even and un-biased manner. The guiding principles they have developed are good and the prioritization criteria capture the triple-bottom line sustainability principles of natural environment, economic development, and healthy communities.

4.1 Additional considerations need to be included in the final Project Prioritization Framework

Although Metrolinx staff has developed a good start to the Project Prioritization Framework, there are a number of other considerations that Regional and local staff believe should be included. These comments are as follows:

1. The Project Prioritization Framework must include consideration for the state of project readiness. If a project is not ready to move forward to construction in a timely manner, then the project should not be included for consideration as part of the immediate priorities.
2. The framework must also consider the potential impact on urban structure. A new rapid transit line has the ability to greatly shape the future urban structure of an area. This includes both the development of currently vacant lands in a transit supportive, higher density manner as well as the potential redevelopment of lands that have reached that transition point. However, some proposed rapid transit lines may run through established, mature and stable areas that will not redevelop as a result of the rapid transit line. This difference must be recognized in the criteria. The criteria should also consider the lost opportunity for development and intensification if a project is delayed or not implemented.
3. The evaluation process must include full consultation with the project proponents to ensure some level of agreement on the results of the evaluation criteria. A good example is the usage of the Greater Golden Horseshoe Travel Demand Model, which was used by Metrolinx to develop The Big Move, for all of the ridership projections to be used in the evaluation process. Although this model does present the most consistent, unbiased approach throughout the Greater Toronto Area and Hamilton, no model is perfect. A travel demand forecasting model is a complex mathematical simulation of human behaviour and as such can never be perfectly accurate. As numerous assumptions are made in these models, they all have the potential to over-estimate or under-estimate ridership on particular rapid transit lines. This problem can be somewhat mitigated by allowing proponents the opportunity to review the results and compare to their own forecasts.

4. The evaluation criteria suggested by Metrolinx are based on the three sustainability principles of natural environment, economic development and healthy communities. This is a good approach for developing evaluation criteria and should be supported. In the text of the report, a number of different criteria are identified for inclusion under each of these measures. However, in the summary tables for each section, many of these measures seem to be missing.
5. The evaluation criteria should also consider the overall relationship to the Provincial Growth Plan, as well as the official plans for each City/Region. In particular, the support for employment growth is very important. The degree of support for Regional growth centres (anchor hubs and gateway hubs) should be considered.
6. After the initial evaluation of the Top 15 priorities, Metrolinx must determine a process for bringing in the next round of rapid transit projects.
7. The evaluation criteria must also consider overall network implications and network connectivity associated with each rapid transit line. These considerations would identify if a proposed rapid transit project provides support for other rapid transit lines or if other transit links or infrastructure are required to support the current proposal. If other transit links or infrastructure is required, then the evaluation must also consider whether they are also ready.
8. The project prioritization process should also consider the level of support from the Regional or local municipality, by measuring such things as the appropriate local planning being in place as well as commitment to the ancillary works which support rapid transit such as pedestrian and cycling networks and any necessary road improvements.

5. FINANCIAL IMPLICATIONS

There are no direct financial implications associated with this report. However, the results of the Project Prioritization Framework will determine when future rapid transit projects will be funded in York Region and the rest of the Greater Toronto Area and Hamilton.

6. LOCAL MUNICIPAL IMPACT

Area municipal staffs have been consulted during the preparation of this report and the comments contained within have been assembled based on input from them.

7. CONCLUSION

Metrolinx is developing a Project Prioritization Framework for the evaluation of all proposed rapid transit projects in the Greater Toronto Area and Hamilton. This framework will be used as the basis for determining which projects are to be recommended for priority funding by the Province. Overall, Metrolinx has made a good start towards the development of this framework. A number of comments and considerations are identified in this report and should be forwarded to Metrolinx for consideration as they finalize the framework. Metrolinx is intending to finalize the process and the evaluation of the Top 15 priority projects by this summer.

For more information on this report, please contact Paul May, Director, Infrastructure Planning at Ext. 5029.

The Senior Management Group has reviewed this report.

Recommended by:

Recommended by:

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April 2, 2009

DD/PM/gr

Attachment 1- Project Prioritization Framework Principles

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