THE TRANSIT WE NEED

Discussion Paper 2
October 31, 2013
FOREWORD

Everyone knows that traffic congestion in the Greater Toronto and Hamilton Area (GTHA) has reached an untenable state and that the congestion is growing dramatically. Everyone knows too that with an additional 2.5 million people expected to enter this city-region in the next twenty years¹, the problem is slated to get a lot worse.

After decades of neglect, we can no longer afford to postpone building a modern transit network across the region. The negative impacts and costs of traffic congestion in urban areas – on the economy, environment, and society in general – have been well documented. The evidence for the GTHA is compelling: Unless we expand our transit infrastructure in a way that is sustainable, congestion costs and productivity losses will compound.

The infrastructure investments we make today will determine the quality of our lives for generations. Despite consensus on the seriousness and scope of the problem, we can’t seem to agree on how to solve it. The Transit Investment Strategy Advisory Panel’s goal is to provide the basis for a mature discussion of the options before us and to enhance public awareness of the vital importance of investing in an improved regional transportation system.

The Panel was established by Premier Wynne on September 18, 2013 with a mandate to advise the Province on how to respond to the Metrolinx Investment Strategy and to engage with the public to determine whether the Metrolinx recommendations are the right ones. The Advisory Panel comprises 13 citizens with diverse backgrounds who bring relevant expertise and experience from across the region. The Panel has a tight timeframe and was asked to report in December.

We have spent the first four weeks in an intense process of orientation with a view to identifying the key issues. To that end we reviewed the major reports used in the development of The Big Move 25 year transportation plan, read the most pertinent external reports that contributed to The Big Move strategy, scanned the submissions and results of the extensive consultations conducted by Metrolinx and others, and were briefed by relevant Ministries and agencies. In addition, we have held a series of meetings with experts reflecting a range of perspectives.

Prior to embarking on the consultation phase of our work program, we are releasing three short discussion papers. The intent is to share the Panel’s understanding of the issues and provide a frame of reference for the feedback we are seeking. They are entitled:

1. Hard Truths about Transit
2. The Transit We Need
3. How We Pay for Transit Expansion
Over the next several weeks, we will be meeting with key stakeholders and providing opportunities for public and business input through town halls and via our website www.transitpanel.ca. We invite you to consider the premises and questions set out in these papers and get back to us with your thoughts and ideas.

Anne Golden Paul Bedford
Chair Vice-Chair
Introduction

Our first paper, entitled, *Hard Truths About Transit in the Toronto Region* has set the stage for a candid discussion about transit needs in the GTHA and how to pay for them. Before recommending how to fund transit expansion in the region, it is important to consider the priorities for funding and the timing.

This second paper is devoted to two issues:
- Deciding What to Build
- Ensuring Accountability for these Investments

**DECIDING WHAT TO BUILD AND WHEN**

*The Big Move* is a $50 billion capital plan for coordinated, integrated transportation and transit to be built over 25 years. The benefits of the plan have been well documented. We need to get people and goods moving again in order to attract both business investment and human talent. Improved transit and transportation permits a better match of jobs and workers and improves access for customers to businesses. As noted in Paper One, *Hard Truths About Transit in the Toronto Region*, congestion in our region is costing us $6 billion annually, growing to $15 billion by 2031 if no action is taken.

Metrolinx created a bold vision in 2008 with *The Big Move*: a regional transportation plan with a seamless grid of road, transit, cycling, and pedestrian infrastructure expansion. As a brokered agreement among the regions, *The Big Move* required compromise to ensure that the leadership of the whole region could buy into it. Launching it was a major achievement.

That said, things have changed over the last 5 years. Not surprisingly, we know more now than we knew then. The Panel is taking account of new conditions and the latest information. Since the release of *The Big Move* in 2008:

- We were hit by a global financial recession
- The stimulus plan implemented by the Province in response to this crisis has contributed to today’s unprecedented level of debt
- The Province has made a commitment to eliminate its annual deficit by 2017/18
- New research has emerged on the critical importance of linking public transit to employment and on the extent to which job growth is occurring in areas not served by *The Big Move*’s proposed projects

Metrolinx has made a few technical updates to *The Big Move* since 2008. This includes advancing the Relief Line – originally identified as a subway connecting Bloor West, downtown Toronto, and the Danforth – to the list of Next Wave projects. *The Big Move* is scheduled for full review by 2016 (refer to Appendix 1 for a map of the plan).
As a result of both changing conditions and emerging priorities, the Panel does not view *The Big Move* as written in stone. To be clear, we do not envisage re-mapping *The Big Move*. Rather, we are exploring strategic modifications to more accurately serve current and anticipated growth.

We propose to establish a clear set of criteria for project selection and prioritization which may lead to a ranking of the original list. Using these criteria to prioritize upcoming projects, we can make progress on fulfilling the vision of *The Big Move* and ensure we have the best possible plan for current and emerging circumstances. These criteria will be front and centre in our upcoming consultations with the public.

The Panel is convinced that a plan to pay for new transit cannot be separated from how we select the projects themselves. In particular, given the current financial pressures on the provincial government, prudence dictates that recommendations for new dedicated funding will result in a network of high-performing rapid transit lines.

### The Transit We Need Should Aim to Ease Congestion

People in the GTHA realize that we are reaching a tipping point on congestion on our roads and crowding on parts of our transit system.

GTHA residents experience some of the longest commute times in Canada. In addition, the region is expected to continue to grow significantly in coming years. To best manage this growth, we need to focus on easing congestion so that we can all get to where we need to go.

Building rapid transit requires a massive public expenditure that must be fully justified by evidence-based planning. No major transit should proceed without compelling evidence that it will serve to ease congestion.

### The Transit We Need Comprises a Network

An effective transportation system provides choice to users, allowing travellers different mode options to get from point A to point B. This choice can best be established within a network of connections and is consistent with *The Big Move’s* vision to develop a region-wide “seamless, integrated...
transportation grid, connecting Hamilton to Newmarket to Oshawa and Clarington and across the core of Toronto. We need to focus, therefore, not just on the creation of individual lines, but on building a full regional network.

The transit we need will connect the region. People need to be able to access jobs and other opportunities across the region, not just in their home municipality. Giving people opportunity through access is critical for a city-region like the GTHA given its role as the gateway for Canada’s future labour market.

Transit experts tell us that the best way to create accessibility and mitigate congestion is through a network.

Recently, there has been a lot of discussion about the need for a Relief Line in Toronto. Both the TTC and Metrolinx have undertaken studies to explore options to relieve severe overcrowding on the Yonge Subway, at the Yonge-Bloor Subway interchange, and at Union Station.

Resolution of these pressure points on the system should be given priority. The concept of a Relief Line originally involved diverting riders away from the Bloor-Danforth line via a new line linking to Union Station. Ideally, a relief line should connect to employment areas in both Toronto and the 905. This would constitute a major step towards construction of a regional transit network that would both resolve the overcrowding at Yonge and Bloor and extend from Markham to Mississauga intersecting with the Bloor-Danforth and Eglinton Crosstown lines.

Transit networks need more than rapid transit to be effective. Connections with local transit should be seamless. Transit operators in the GTHA must work together to deliver coordinated schedules, consistent traveller information, and integrated fare systems.

Active transportation options should be included in the plan. Walking and cycling can be the most cost-effective travel options, with low infrastructure costs and minimal operating costs.

**The Transit We Need Must Align with Current and Anticipated Jobs**

Recent research has shown that the pattern of employment location in the GTHA is changing. Until 1980, 63% of all office space in the GTHA was located in downtown Toronto or directly on subway lines. Toronto’s financial core now has less than one quarter of the offices in the Region, meaning that an estimated 500,000 people work in suburban office buildings which are

---

**Criterion #3**

Transit projects must align with current and future employment locations.
accessed almost entirely by car. For example, 97% of the people who work at Meadowvale in Mississauga drive to work.\textsuperscript{11,12}

At the same time, jobs that have good transit access have a much lower percentage of people who drive to work. For instance, only 24% of people who work in Toronto’s financial core take their cars.

By 2031, the Growth Plan for the Greater Golden Horseshoe estimates that there will be 850,000 new workers in the GTHA\textsuperscript{13}. Of these, half will be working in offices\textsuperscript{14}. During peak hours, the ratio of workers to non-workers among transit riders is four to one. The research makes it clear that the role of office development in generating ridership is pivotal\textsuperscript{15}. The key factors determining the location of these jobs will be location of transit, planning permissions, development-ready sites, and economic conditions which are competitive.

To date, we have not been entirely successful at integrating land use, economics, and transportation planning. Ridership within walking distance of transit is a major contributor to successful transit. Prerequisites for this to happen include:

- Municipal participation and implementation of transit-oriented development zoning by-laws, which stimulate as-of-right mixed-use investment at key transit stations and along transit corridors
- Economic policies which encourage intensification, and therefore, strong ridership along transit corridors.

The Transit We Need Serves Homes and Destinations

Our track-record of connecting residential households with transit is improving. In 2001, only 42% of people in the GTHA lived within two kilometres of rapid transit. With the recent investments made in The Big Move’s First Wave of rapid transit projects, this number will rise to over 60%\textsuperscript{16}.

In addition, as Metrolinx identifies in its Investment Strategy\textsuperscript{17}, we need to do a much better job of coordinating the locations of institutions, university campuses and colleges, hospitals, and other destinations with transit. Schools and other community infrastructure are drivers of ridership, and contribute to walkable, multi-use, and multi-functional neighbourhoods.

Locating these important uses in car-dependent areas makes absolutely no sense. They must be connected to public transit.
The Transit We Need is Appropriate for the Situation

As explained in our first paper, *Hard Truths About Transit in the Toronto Region*, the choices for rapid transit are: bus rapid transit, light rail transit, subways, and regional rail. Each mode, operating in its own right of way, has distinct benefits and very different construction, operation, and maintenance costs. Further description of these modes can be found in Appendix 2.

Contrary to the myth that subways are the only good form of rapid transit, the truth is that an effective and sustainable public transit network depends on matching the technology to the circumstances.

Though traditional subways are effective in densely built up areas like the core of the City, they are not the solution for spread out low density parts of the region. Combining regional rail, which transcends dense urban areas, with local dedicated light rail and bus rapid transit will deliver cost-effective, congestion-easing solutions.

The Transit We Need is Built on a Practical Timeline

The $50 billion program of *The Big Move* is the largest urban rapid transit capital program in Canada’s history. The discussion to date has focused almost exclusively on the capital cost of construction. As argued in *Hard Truths*, it is essential that we consider all costs, including capital, operating, maintenance, and financing over the full life cycle.

The Panel is looking into the issue of timing for projects and its impact on how we pay for the infrastructure. It may be prudent to consider dividing execution of the full program into stages, consistent with our ability to raise the needed revenue.

We will be consulting on how we might divide the Next Wave of projects into digestible phases. Phasing delivery will:

- Permit us to drive congestion relief and demonstrate results as soon as possible, so as to generate momentum for the full program;
- Recognize that public acceptance of new revenue tools may take time. We must generate funds in the most responsible manner possible (a topic to be discussed further in the third Issues Paper);
- Enable us to phase in financial impact over time;
- Take advantage of developments and innovations in transit technology and service as they evolve; and
- Take account of the full scale of investment required over the project life cycle.

The Transit We Need Delivers Immediate Service Improvements and Benefits to Users and Non-Users

Building rapid transit takes many years and improvements to transit service should be made a priority in the short term. Examples include more frequent service, better fare integration, improved technology, improvements to transit vehicles, and use of intelligent transportation systems.

Other cost-effective and short-term programs can encourage mode shift and non-peak travel, while again relieving congestion – incentives such as employer benefits for telecommuting and flex hours, parking cash-back, pay-as-you-drive insurance, and tax breaks for carpooling and other mode shifting.

By introducing service and operational improvements, people will be able to experience some early benefits from their investment.

ENSURING ACCOUNTABILITY FOR THESE INVESTMENTS

We have encountered a good deal of cynicism about the process of transit planning, management of and accountability for funds, and the ability to execute the plan effectively. This level of distrust is revealed by polls completed over last year\(^8\). It has also emerged in our consultations to date with stakeholders.

We take from this that any plan to raise more revenue must be inextricably linked to measures to strengthen governance and accountability. The challenge is that there are few models to emulate.

The Transit We Need has Strong Accountability and Transparency

The public and stakeholders have expressed consensus on the need for enhanced accountability and transparency. New funds for transit must be dedicated, with achievements being tracked and measured against plan.
Funding decisions should take account of life-cycle costs – both the up front capital costs and the long-term costs of financing, operating, and maintaining the infrastructure. These decisions should have to pass the test of a business case analysis, such as the recently enhanced Metrolinx evaluation process.

In the Metrolinx Investment Strategy, the case for accountability has been presented very clearly. The report proposes to address the public’s concerns about transparency and accountability through the following measures:

- Reporting on projects and programs;
- Reporting on transportation systems performance;
- Establishing a trust fund for dedicated revenues; and
- Enabling the revenues to the trust fund to be used to support debt, driving decisions that consider long-term financial sustainability of investments\textsuperscript{19}.

While endorsing their thrust, the panel is looking at each of these recommendations and their impact.

**The Transit We Need has Support from All Levels of Government**

There needs to be a renewed partnership between all levels of government (federal, provincial, and municipal) to create the transit we need.

The Province is currently bearing the brunt of transit expansion costs. This has come about, in part, due to the significant decline over several decades in the federal share of investments in public infrastructure. Even though more funds have been made available since 2001, the Federal share was only 5.3% in 2007, compared to 27% in 1955. Investing in GTHA transportation has economic benefits at the national level. The federal government needs to play a larger role.

Municipalities also play an important role in determining land use, tax, and economic development policy. In many cases municipalities also fund and operate local transit.

Since Metrolinx was established, there have been changes in how the agency is governed. Originally made up mostly of municipal representatives, the Metrolinx Board of Directors now comprises citizen members who are appointed by the Province of Ontario based on their expertise and professional experience. With ongoing growth of Metrolinx’s responsibilities, it may be advisable to add other representation on the regional body.

Indeed, the Metrolinx Investment Strategy acknowledges this and recommends that the Metrolinx Board of Directors be adjusted to include up to six citizen appointees, as nominated by GTHA municipalities\textsuperscript{20}.
Conclusion

Priorities should be set based on evidence. We propose that they be filtered through the following seven criteria:

1. Helps to ease congestion
2. Adds up to a connected region-wide network
3. Aligns with current and future employment locations
4. Coordinates with the locations of community and public institutions
5. Provides the appropriate type of transit for the situation
6. Builds confidence in the full plan, by phasing implementation
7. Provides tangible benefits and improvements in the short-term

In addition, measures need to be introduced that ensure strong accountability and transparency. The Panel will be examining the broad issue of governance.
Appendix 1 – The Big Move 25-year Plan
## Appendix 2 – Descriptions of Rapid Transit Options

*Adapted from Pembina Institute, *Drivers’ Choice*, pg. 7, April 2012

<table>
<thead>
<tr>
<th>Transit option</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Subway:</strong> A heavy rail system that runs on a track that is completely separate from road and pedestrian traffic. The Toronto subway travels mostly through underground tunnels, although some stations are at street level.</td>
<td></td>
</tr>
<tr>
<td><strong>Light Rail Transit:</strong> A fast-moving train that operates in its own right-of-way (a separated traffic line, or off street route). LRTs have about twice as many stops as subways but fewer than bus or streetcar routes. They are faster and can carry more people than buses and streetcars. LRTs are very popular in European and US cities, as well as in Calgary, Edmonton and Ottawa.</td>
<td></td>
</tr>
<tr>
<td><strong>GO Train:</strong> A train that operates on existing railways and tends to cover longer commuting distances.</td>
<td></td>
</tr>
<tr>
<td><strong>Bus Rapid Transit:</strong> A bus that travels in its own lane separated from traffic by curbs. Rapid bus lanes are being built along Yonge St. and Hwy 7 in York Region. BRT is the least expensive mode of rapid transit to build and most accessible as entrances are barrier-free. BRTs can operate like LRTs without the rails and can be converted to LRTs when ridership warrants. BRT has a distinct role to play and is complementary to both LRT and subway technology.</td>
<td></td>
</tr>
</tbody>
</table>
End Notes

1 Ontario, The Growth Plan for the Greater Golden Horseshoe, June 2013
2 Cost of Road Congestion in the Greater Toronto and Hamilton Area, prepared for Metrolinx by HDR Decision Economics Analysis, 2008
3 Ontario Budget 2013
4 Strategic Regional Research, A Region in Transition, Dobson et al., January 2013
5 Connecting Jobs and People, The Conference Board of Canada, August 2011
6 This is not intended to replace the Metrolinx approach to Benefits Case Analysis or Prioritization. It is intended to help reach strategic goals of access and connectivity.
7 Table: Mode of transportation and average commuting time to get to work in Montreal, Toronto and Vancouver census metropolitan areas; Census Canada http://www.statcan.gc.ca/pub/11-008-x/2011002/t/11531/tblbx-eng.htm
8 The Big Move, Metrolinx 2008
9 Downtown Rapid Transit Expansion Study, TTC, October 2012
10 Union Station 2031 Opportunities and Demands Study, Metrolinx, 2011
11 The New Geography of Office Location and the Consequences of Business as Usual in the GTA, Canadian Urban Institute, March 2011
12 Strategic Regional Research, A Region in Transition, Dobson et al., January 2013
14 The Employment Land Study, Malone Given Givens, RESC. Prepared for the City of Toronto. August 2012
15 Strategic Regional Research, A Region in Transition, Dobson et al., January 2013
16 Investing in our Region, Investing in our Future, Metrolinx, May 2013
17 Recommendation #12, Investing in our Region, Investing in our Future, Metrolinx, May 2013
18 Polling on transit funding in the GTHA has been completed by the City of Toronto (Ipsos – March 2013), the Toronto Star (Forum Research – Oct 2012 to Apr 2013), Civic Action (Forum Research – Mar-Apr 2013), Spacing Magazine (May 2013), and CAA (Oct 2013)
19 Investing in our Region, Investing in our Future, Metrolinx, May 2013
20 Investing in our Region, Investing in our Future, Metrolinx, May 2013