

York Region Rapid Transit Corporation

viva**n**ext



Committee of the Whole – Finance & Administration
YRRTC Capital & Operating Budget | December 5, 2013

viva**n**ext
be moved

- › Executive Summary
 - › How we are doing in 2013
 - › What are we looking to do in 2014
- › Overall Funded Capital Program of \$3.2B
- › 2014 Budget – Regional Capital Program of \$1.4B
 - › Capital Spending Authority – \$606.4M
 - › Capital Budget – \$287.3M
- › 2014 Budget – Regional Operating Expenditures of \$11.7M
- › Next Steps

Buses, Rapidways & Stations



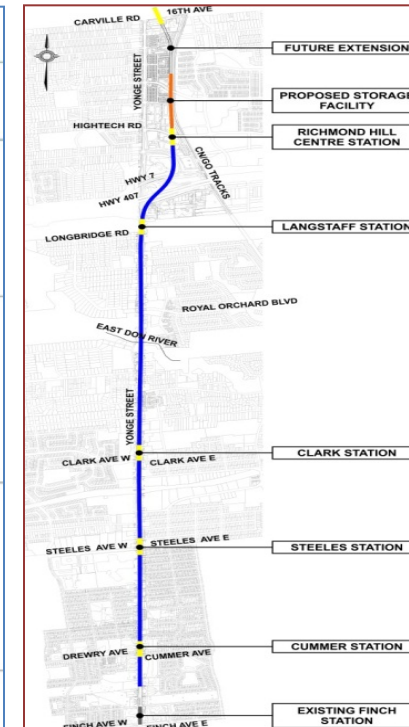
Facilities & Terminals



Spadina Subway Extension



Yonge Subway Extension



Executive Summary – 2013 Regional Capital Program

OMSF



VMC
Terminal



TYSSE

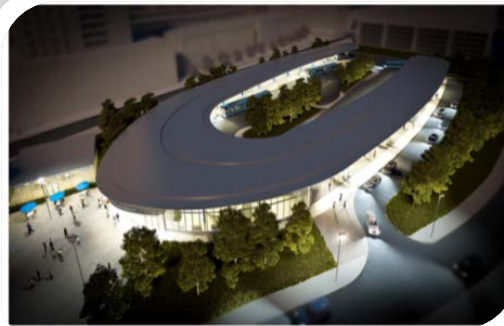


Image by TTC

Buses



Executive Summary – 2013

Metrolinx Capital Program

H3 Hwy. 7 East

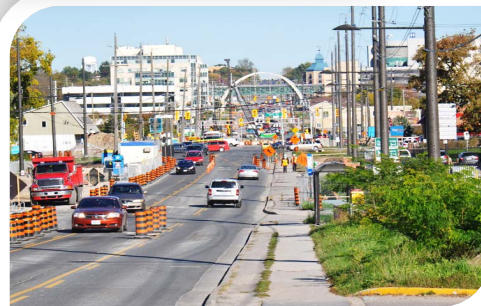
- › H3, West – We Are Live!



- › H3, East – Construction continues!



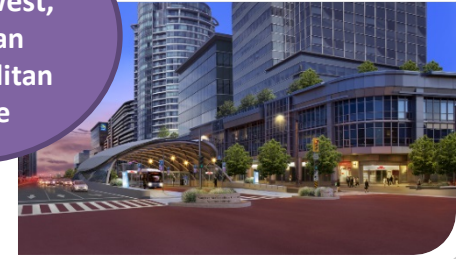
D1 Davis Drive



- › Union Hotel moved to temporary site
- › Road widening and Utility Relocations work continue



H2-VMC Hwy. 7 West, Vaughan Metropolitan Centre



- › Final design 30%
- › Field work started

- › Preliminary Engineering completed
- › RFP in progress

Yonge Street



- › Preliminary engineering completed

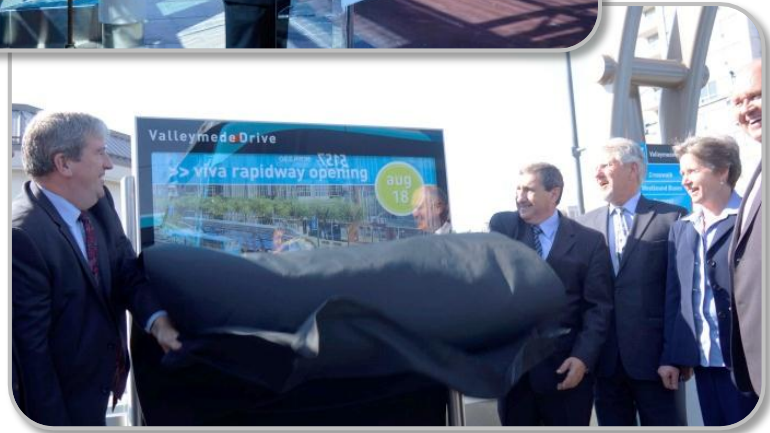
H2 – Hwy. 7 West H3.4 – Enterprise

- › Treasury Board approval
- › RFQ released by year-end

Executive Summary – 2013

Metrolinx Capital Program – “H3, West – We Are Live”

VIVAnext



Greater Greater Washington

The Washington, DC area is great. But it could be greater.

TRANSIT

Suburban Toronto's Viva offers lessons for Montgomery BRT

by Jesse Thomas • August 27, 2013 10:54 am

Bus rapid transit line to open in York Region Sunday

Joshua Freeman, CP24.com



thestar.com

News / GTA / Transportation

York Region opens first of its Viva Rapidway network of dedicated bus lanes

Initial 2.7-km stretch is the first of 36 km planned. Rapidways will shave commute times and can easily be converted to LRT someday.

By: Tess Kalinowski Transportation reporter, Published on Fri Aug 16 2013

THE GLOBE AND MAIL



Suburban York Region transit route gets image makeover with bus-only lanes

OLIVER MOORE
RICHMOND HILL, ONT. — The Globe and Mail
Published Wednesday, Aug. 14 2013, 8:07 PM EDT
Last updated Wednesday, Aug. 14 2013, 8:53 PM EDT

BRAMPTON GUARDIAN

York Region opens first of its Viva Rapidway network of dedicated bus lanes

York region has begun first phase of new rapid transit

680News staff Aug 18, 2013 01:52:11 PM

First York Region rapidway opens Sunday

Aurora Banner – August 16 2013



Capital and Operating Expenditures Budget for 2014 brought forward in two parts:

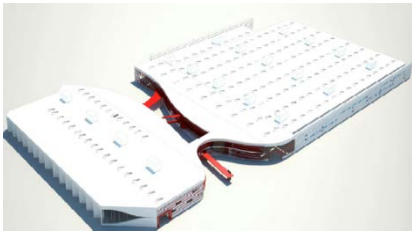
- › **Part One** – the Regional Capital Program of \$1.4B seeks the necessary approvals of Regional Council
 - › 2014 Capital Spending Authority – \$606.4M
 - › 2014 Capital Expenditures – \$287.3M
 - › 2014 Operating Expenditures – \$11.7M
 - › Decrease of 0.6% or \$0.1M Year-over-Year
 - › Lower by 15.0% or \$2.1M versus Outlook

- › **Part Two** – the Metrolinx Capital Program of \$1.8B received the endorsement of the YRRTC Board of Directors on November 14, with the approval of Metrolinx already in place (per the executed Master Agreement)
 - › 2014 Capital Expenditures – \$252.6M
 - › 2014 Operating Expenditures – \$13.1M and 100% recovered
 - › Considers recoveries of 55.6 staff-equivalents from YRRTC
 - › Considers recoveries of 35.6 staff-equivalents from York Region

Regional Capital Budget

Facilities & Terminals:

- › On-going construction for the Operations, Maintenance & Storage Facility (OMSF)



- › Release of RFP for Design-Bid-Build procurement of VMC Bus Terminal – completion date co-ordinated with the Spadina Subway extension in service (Fall 2016)



Project Sponsors:

- York Region
- TYSSE
- SmartCentres

Project Manager:

- YRRTC

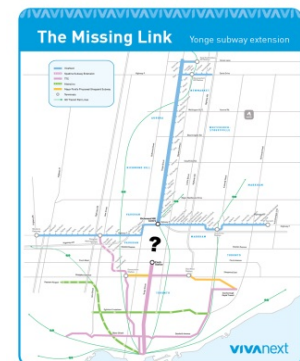
- › Finalization of land purchase for Cornell Bus Terminal and start of Conceptual/Preliminary Engineering work – Design-Bid-Build procurement model
- › Deployment of Park 'n' Ride Facilities program, which is in support of the Bus Rapidways

Subways:

- › On-going involvement in the construction of the Spadina Subway Extension – in service in Fall 2016. Includes:
 - › Completion of the VIVA Concourse – connecting street level to the VMC Subway Station
 - › Procurement of the fare collection equipment for the 3 subway stations in the Region



- › On-going work to secure funding for the Yonge North Subway Extension
 - › Preliminary Engineering – \$100M
 - › Construction – \$3.4B



Metrolinx Capital Budget

- › Hwy. 7 East, from Hwy. 404 to Warden Ave. - opening of rapidway in segments



- › Davis Drive – construction in full swing and includes 3rd party work for Region and Town of Newmarket
- › Hwy. 7 West, Vaughan Metropolitan Centre (VMC) - begin road widening, construction of stations & utility relocations

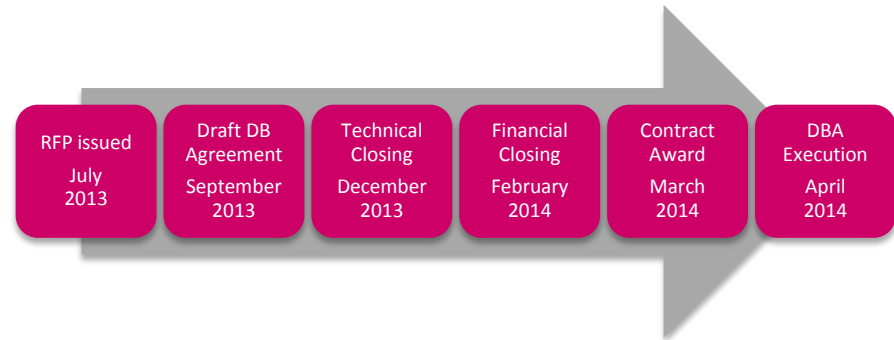


Davis Drive



Hwy. 7 West, VMC

- › Yonge St.:
 - › On-going property acquisition activities re. identified lands for the rapidways from:
 - › Hwy. 7 to Major Mackenzie Dr.
 - › Levensdale Ave. to 19th Ave./Gamble Rd.
 - › Mulock Dr. to Davis Dr.
 - › Complete public procurement process (RFP) and award design-build contract by Spring 2014



- › Remaining of Highway 7 West:
 - › On-going property acquisition activities re. identified lands for the rapidways:
 - › Yonge St. to Pine Valley Dr.
 - › Procurement process (RFQ & RFP) underway – design-build-finance procurement model, led by:



2014 Metrolinx Capital Budget:

	\$ Millions
Construction - H3: Hwy. 7 East, Yonge to Warden	47.2
Construction - D1: Davis Dr., Yonge St. to Hwy. 404	80.2
Construction - H2 VMC: Hwy. 7 West, Bowes to Edgeley	52.2
Construction Work Preparation - Public Procurement (PP)	54.4
Construction Work Preparation - Infrastructure Ontario (IO)	18.6
Total Capital Budget - Metrolinx	\$ 252.6

2014 Regional Capital Budget:

	\$ Millions
Facilities & Terminals	\$ 68.6
Viva Buses	-
Spadina Subway Extension	217.5
Yonge Subway Extension	0.5
Rapid Transit Studies	0.7
Total Capital Budget - Regional	\$ 287.3

2014 Metrolinx Operating Budget:

YRRTC Staff & Admin. Costs	\$ 8.3
YR Shared Services - per Negotiated Specifics agreements	4.8
Sub-Total: Gross Op. Exp.	13.1
Offset by Recoveries to Capital Programs *	(13.1)
Sub-Total: Net Op. Exp. Before Financing Costs and Rev.	-
Financing Costs - Debt Repayments and Interests	-
Offset by Revenues *	-
Sub-Total: Net Financing Costs After Revenues	-
Total Net Tax Levy - Metrolinx	\$ -

2014 Regional Operating Budget:

YRRTC Staff & Admin. Costs	\$ 3.4
YR Shared Services - per Dedicated Charges agreements	0.7
Sub-Total: Gross Op. Exp.	4.1
Offset by Recoveries to Capital Programs *	(1.8)
Sub-Total: Net Op. Exp. Before Financing Costs and Rev.	2.3
Financing Costs - Debt Repayments and Interests	19.7
Offset by Revenues *	(10.3)
Sub-Total: Net Financing Costs After Revenues	9.4
Total Net Tax Levy - Regional	\$ 11.7

Metrolinx Approved; YRRTC BoD Endorsed

Regional Council Approval

Proposed Regional Budget & Outlook at a Glance:

Capital		2014 CSA			
Capital Spending Authority:		\$606.4M	vs. 2013 CSA Budget	\$887.4M	
Capital Budget for 2014:		\$287.3M	vs. 2014 Outlook	\$339.4M	

Operating	Without Financing Costs & Revenues		With Financing Costs & Revenues	
Net Tax Levy Decrease vs. 2013 Budget:	(2.2%)		(0.6%)	
Net Tax Levy Decrease vs. 2014 Outlook:	0%		(15.0%)	

2014 Budget





Overview of Funded Capital Programs – \$3.2 Billion



YRRTC – Enabler of rapid transit in York Region | **VIVA**next

Foundation and basis of funding are based on having the “right technology at the right time in the right place”

- › Our rapid transit plans were established in the Regional transportation plans prior to The Big Move from Metrolinx – our plans were absorbed in The Big Move and have evolved, and will continue to evolve.
- › Enabled through the **York Region Rapid Transit Agreement** and **Metrolinx Master Agreement**

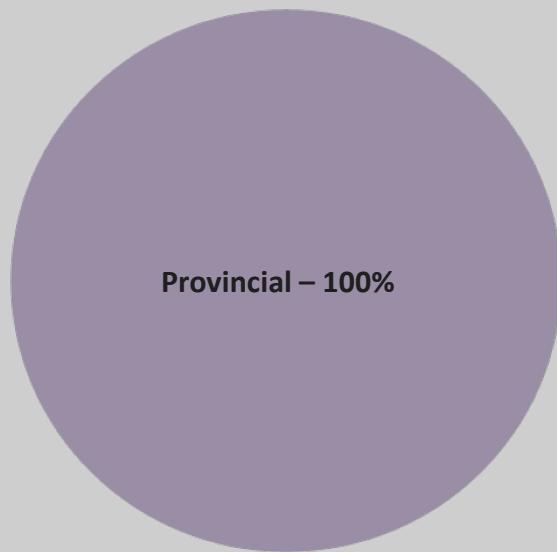
			
<p>Phase 1 [2003 - 2005] Quick Start launched in 2005</p>	<p>Phase 2 [2009 - 2018] Bus Rapid Transit Subways</p>	<p>Phase 3 [2018 - 2031] Light Rail Transit Subways</p>	

Funded Capital Programs - \$3.2B

Funding Sources & Agreements

Metrolinx Capital Program

\$1.8 billion



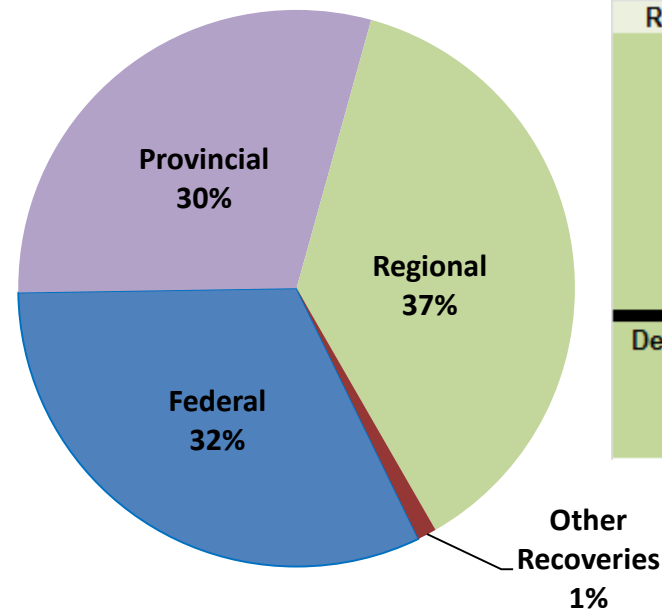
Provincial – 100%

Funding Agreements:

1. QuickWins Agreement
2. Metrolinx Master Agreement

Regional Capital Program

\$1.4 billion



Funding Agreements:

1. QuickWins Agreement
2. Canada Strategic Infrastructure Fund (CSIF) Contribution Agreement
3. TYSSE Contribution Agreement

Regional - \$510.4M

Dev. Charges &
General Capital
Reserve
- 211.6 M -

< 2013: \$164.7M
2014+: \$46.9M

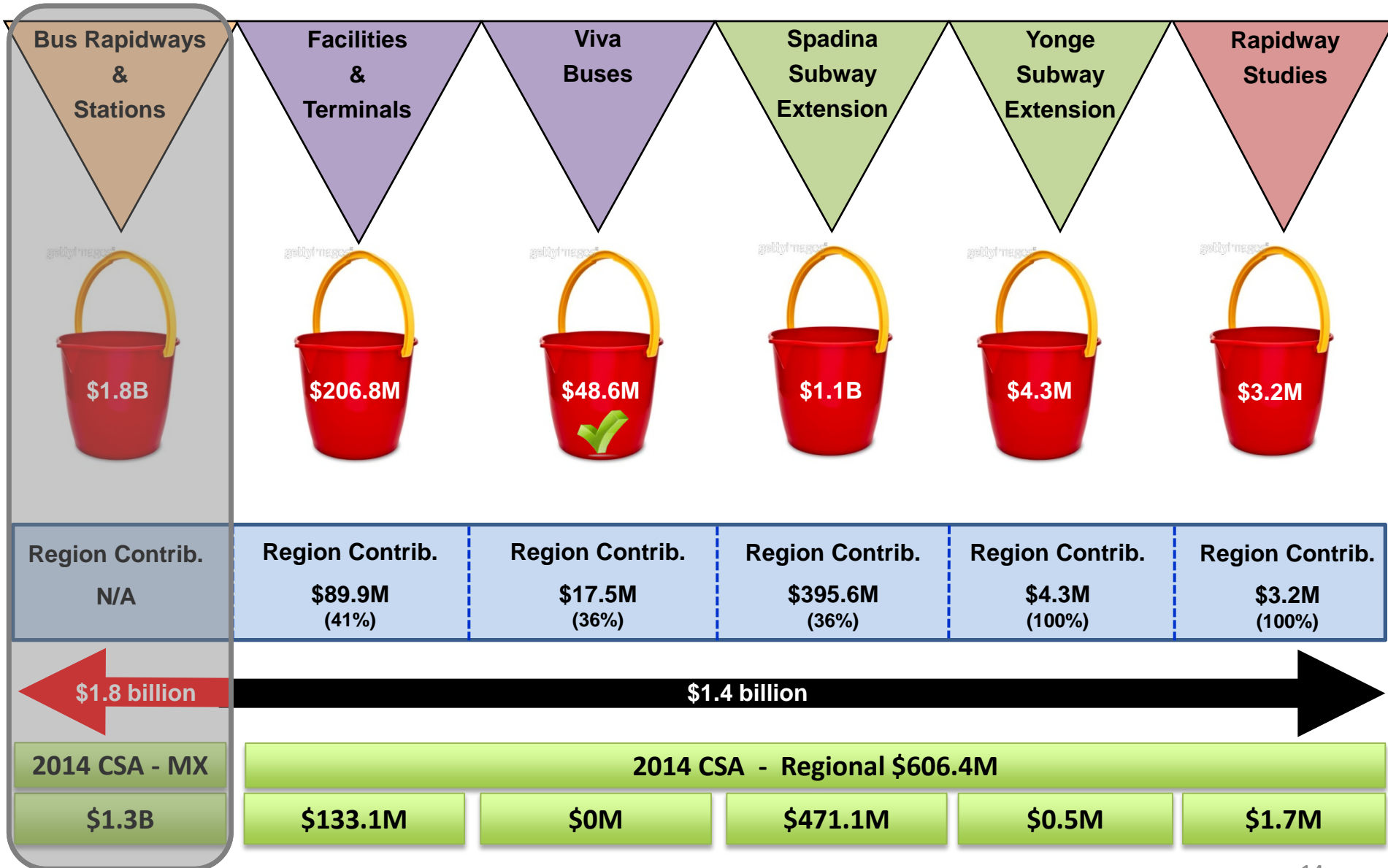
Debentures - \$298.8M

< 2013: \$109.0M
2014+: \$189.8M

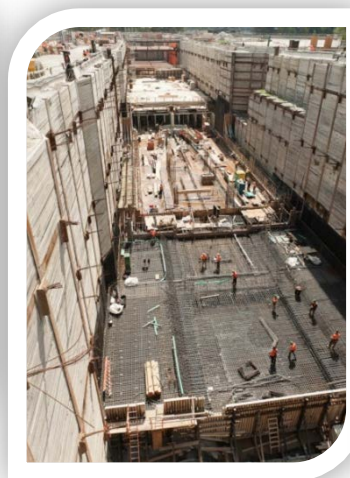
Region's Contribution – 16% of the overall \$3.2B program

Funded Capital Programs - \$3.2B

Breakdown of Projects



2014 Budget Regional Capital Program – \$1.4 Billion



Regional Capital Program – \$1.4B

With a funding value of \$1.4B, the Region's contribution is \$510.4M or 37%

\$Millions	Total \$\$\$	Federal Contribution \$\$\$	Provincial Contribution \$\$\$	Regional Contribution \$\$\$	Other Recoveries \$\$\$
Facilities & Terminals	\$206.8	\$67.5	\$38.5	\$89.9	\$10.9
Viva Buses	\$48.6	\$17.5	\$13.6	\$17.5	
Spadina Subway Extension – Construction	\$1,054.8	\$351.6	\$351.6	\$351.6	
Spadina Subway Extension – TTC Buy-In and VIVA Concourse, Fare Equipment	\$47.8			\$44.0	\$3.8
Yonge Subway Extension – Conceptual Design	\$4.3			\$4.3	
Yonge Subway Extension – Preliminary Engineering	\$0.0		\$0.0	\$0.0	
Rapidway Studies	\$3.2			\$3.2	
Total	\$1,365.5	\$436.6	\$403.7	\$510.4	\$14.7
		32%	30%	37%	1%

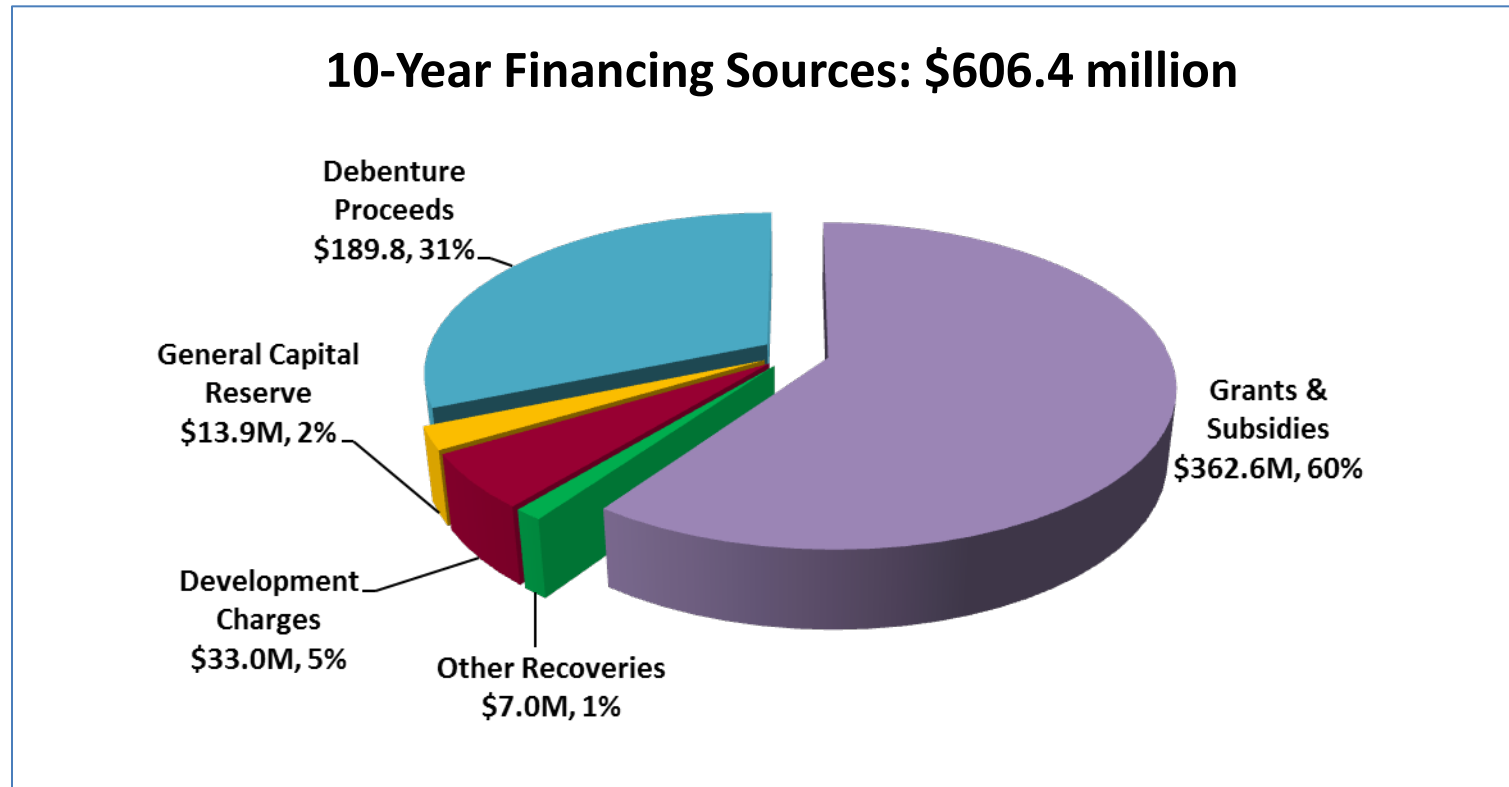
\$7.7M in recoveries by end of 2013:

- OMSF Add. Scope
- VMC Land
- TYSSSE Fare Equipment

Regional Capital Program – \$1.4B

Capital Spending Authority – Funding Sources

Out of the Regional Capital Program of \$1.4B, \$606.4M remains for 2014 onwards.



64% of debentures are recoverable through development charges.

*** Debentures - \$189.9M. Repayments through:**
=> Development Charges = \$121.1M
=> Tax Levy = \$68.8M

Regional Capital Program – \$1.4B

Capital Spending Authority – Program Breakdown

2014 CSA @ \$606.4M

\$Millions	Total \$\$\$	Region			
		Contribution DC's & Capital Reserves \$\$\$	Debentures Proceeds \$\$\$	Grants & Subsidies \$\$\$	Other Recoveries \$\$\$
Facilities & Terminals*	\$133.1	\$25.1	\$40.6	\$63.9	\$3.5
Viva Buses					
Spadina Subway Extension – Construction	\$447.9		\$149.3	\$298.6	
Spadina Subway Extension – TTC Buy-In and VIVA Concourse, Fare Equipment**	\$23.1	\$19.6			\$3.5
Yonge Subway Extension – Conceptual Design	\$0.5	\$0.5			
Yonge Subway Extension – Preliminary Engineering					
Rapid Transit Studies	\$1.7	\$1.7			
Total	\$606.4	\$46.9	\$189.9	\$362.6	\$7.0
		8%	31%	60%	1%

\$236.8M

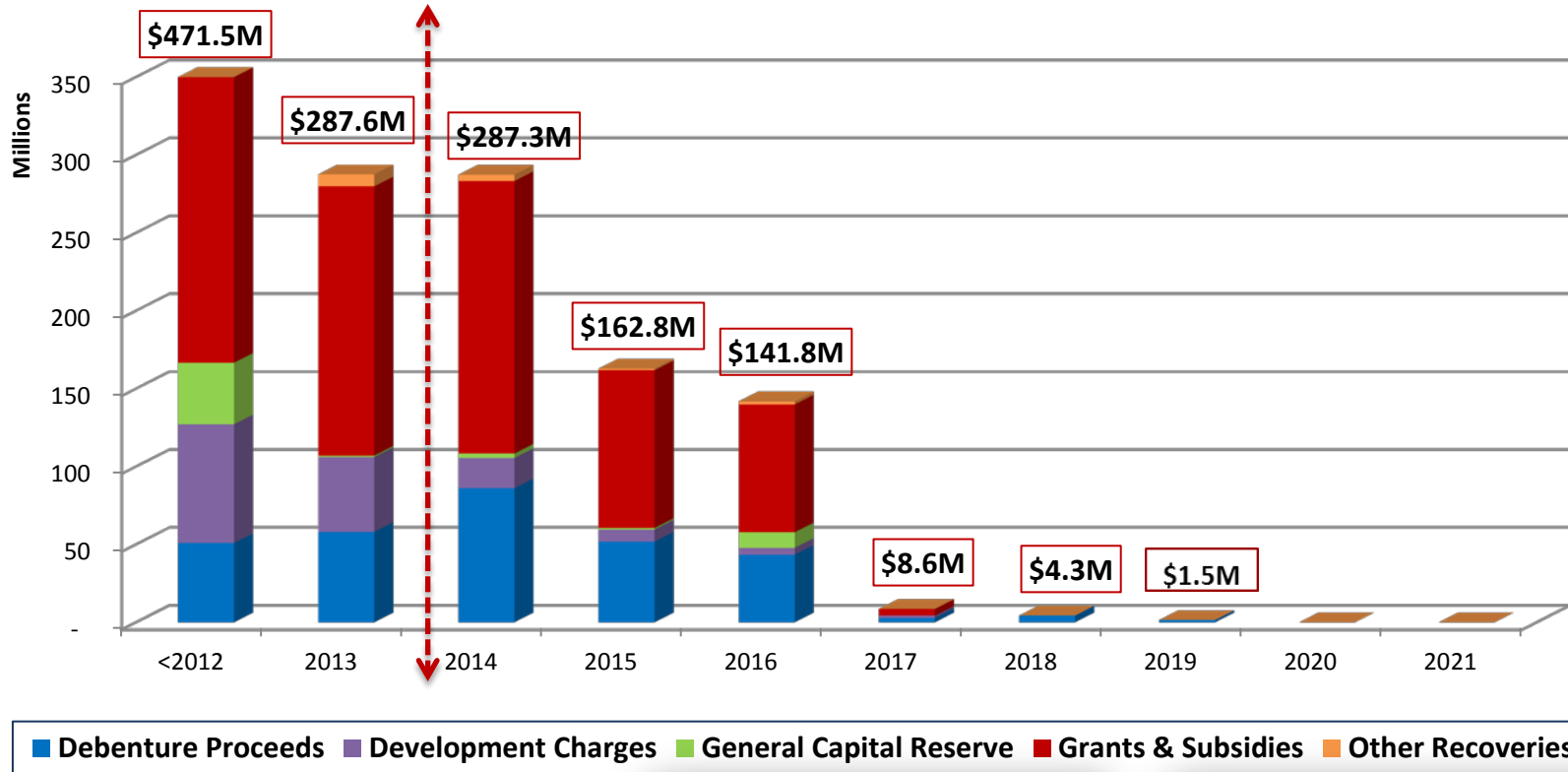
* Recovery of \$3.5M for land purchase of Cornell Bus Terminal

** Fare equipment of \$3.5M for the 3 subway stations in Region – Black Creek, 407 & VMC

Regional Capital Program – \$1.4B

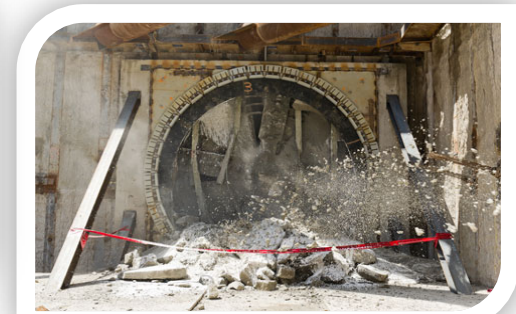
Capital Spending Authority – Cash Flows

2014 Capital Spending Authority - \$606.4M



2014 Regional Capital Budget - \$287.3M

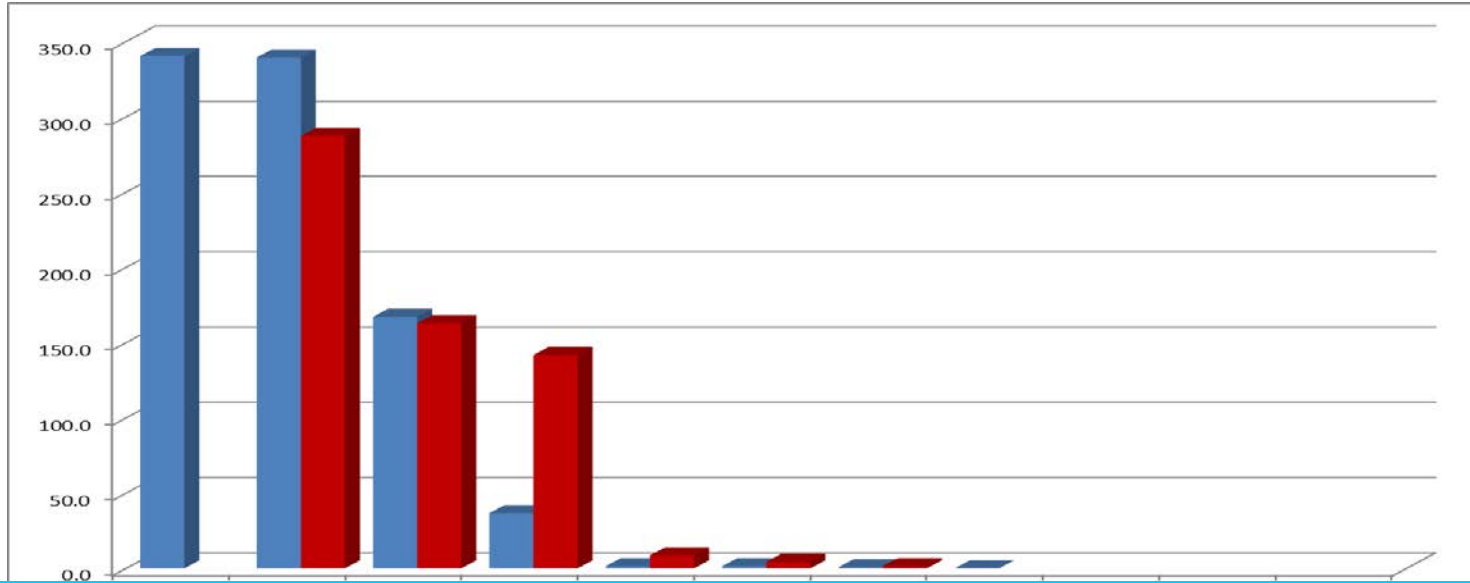
- Debentures = \$86.1M
- Development Charges = \$19.4M
- General Capital Reserves = \$2.9M
- Grants & Subsidies = \$174.9M
- Third Party Recoveries = \$4.0M



Regional Capital Program – \$1.4B

Capital Spending Authority – Budget Comparison

10-Year Budget Comparison – 2014 vs. 2013 (\$M)



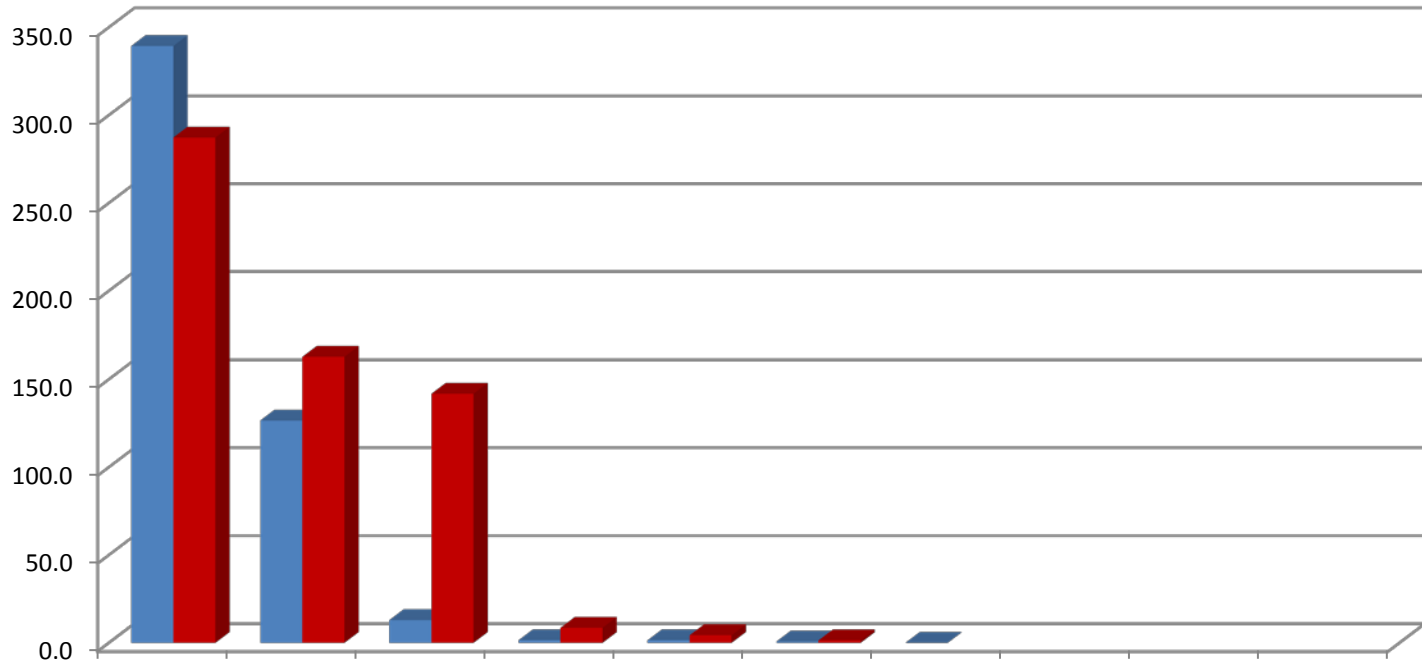
	2013	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
■ 2013 Budget	340.4	339.4	167.1	36.7	1.4	1.4	0.8	0.1	■	■	■	887.4
■ 2014 Budget	■	287.3	162.8	141.8	8.6	4.3	1.5	0.0	■	■	■	606.4
% Change	(100%)	(15%)	(3%)	286%	474%	190%	82%	(100%)	■	■	■	(32%)
Increase/(Decrease)	(340.4)	(52.1)	(4.3)	105.1	7.2	2.9	0.7	(0.1)	■	■	■	(281.0)

2014 vs. 2013 – Net Decrease of \$281.0M

Regional Capital Program – \$1.4B

Capital Spending Authority – Outlook Comparison

2014 CSA Comparison - Proposed Budget vs. Approved Outlook (\$M)



	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	Total
Approved Outlook	339.4	126.6	13.0	1.4	1.4	0.8	0.1				482.7
Proposed Budget	287.3	162.8	141.8	8.6	4.3	1.5	0.0				606.4
Increase/(Decrease)	(52.1)	36.2	128.8	7.0	2.9	0.7	0.0				123.6

Proposed Budget vs. Outlook – Net Increase of \$123.6M

› TYSSE: Project Completion Timelines Extended

Regional Capital Program – \$1.4B

Capital Spending Authority – At a Glance

2014 Capital Budget	\$M
2014 Capital Budget	287.3
10-Year Capital Plan / Budget	606.4
Capital Spending Authority (CSA)	606.4
CSA Change from Approved Outlook	123.6

Region's Contribution - \$236.8M or 39% of the Capital Spending Authority

2014 Budget

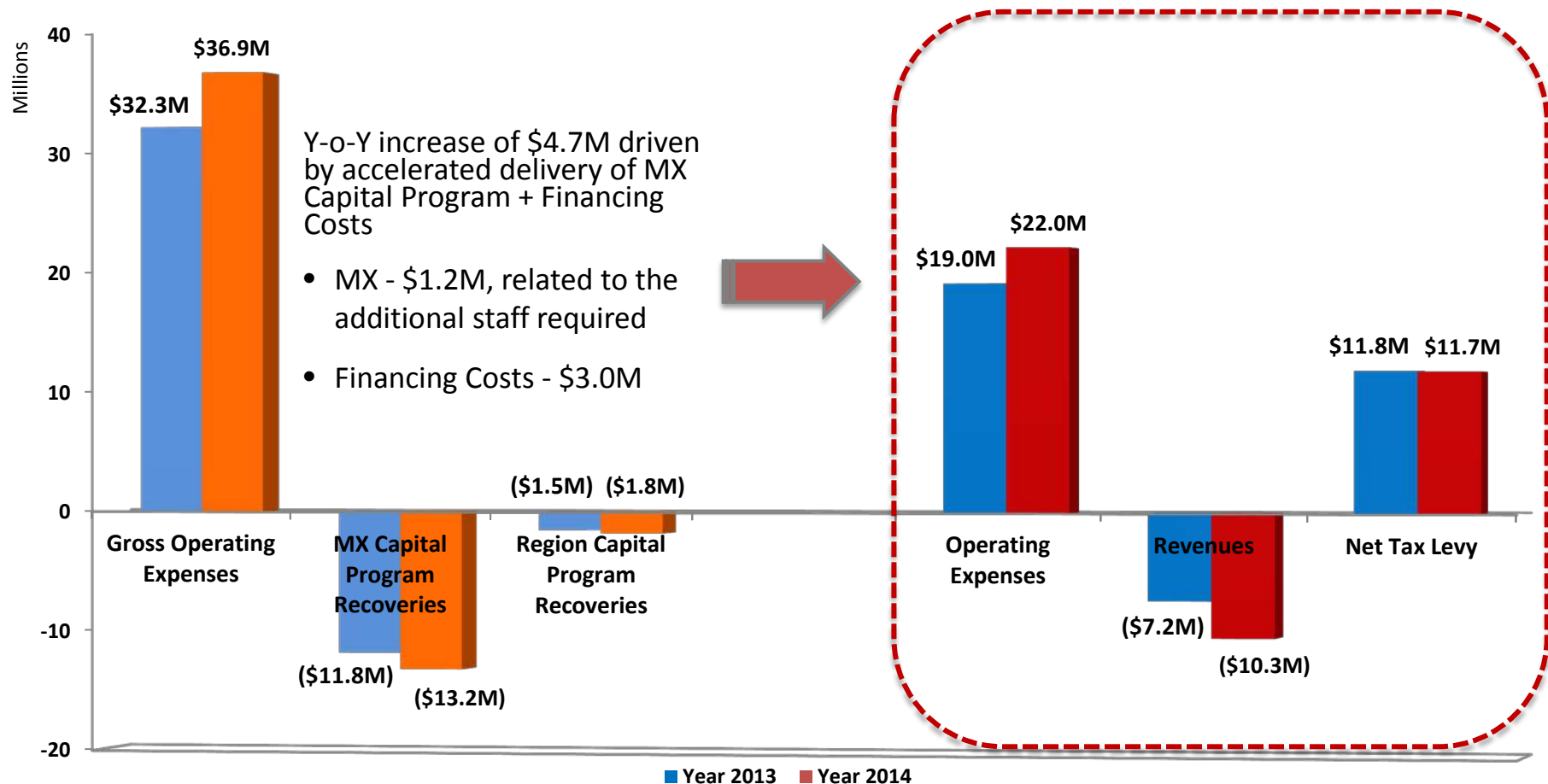
Operating Expenditures Budget – \$11.7 Million



Operating Expenses

Operating Budget – \$11.7M

Operating Expenditures Budget is \$11.7M, after Recoveries and Revenues



Operating Expenses

Operating Budget – Proposed Tax Levy

	\$	%
Enhancements	0.0	0.0
Growth	0.0	0.0
Annualization	0.0	(0.2)
Mandatory/Legislative	0.0	0.0
Base (incl. Reductions/Efficiencies/Cost Savings)	0.0	(0.4)
Increase/(Decrease) Excluding Contribution to Capital	(0.1)	(0.6)
Contribution to Capital	0.0	0.0
2014 Net Tax Levy Increase/(Decrease)	(0.1)	(0.6)

2013 Budget Net Tax Levy	11.8
2014 Budget Net Tax Levy	11.7

Decrease of 0.6% year-over-year, with Financing Costs and Revenues

Operating Expenses

Operating Budget – At a Glance

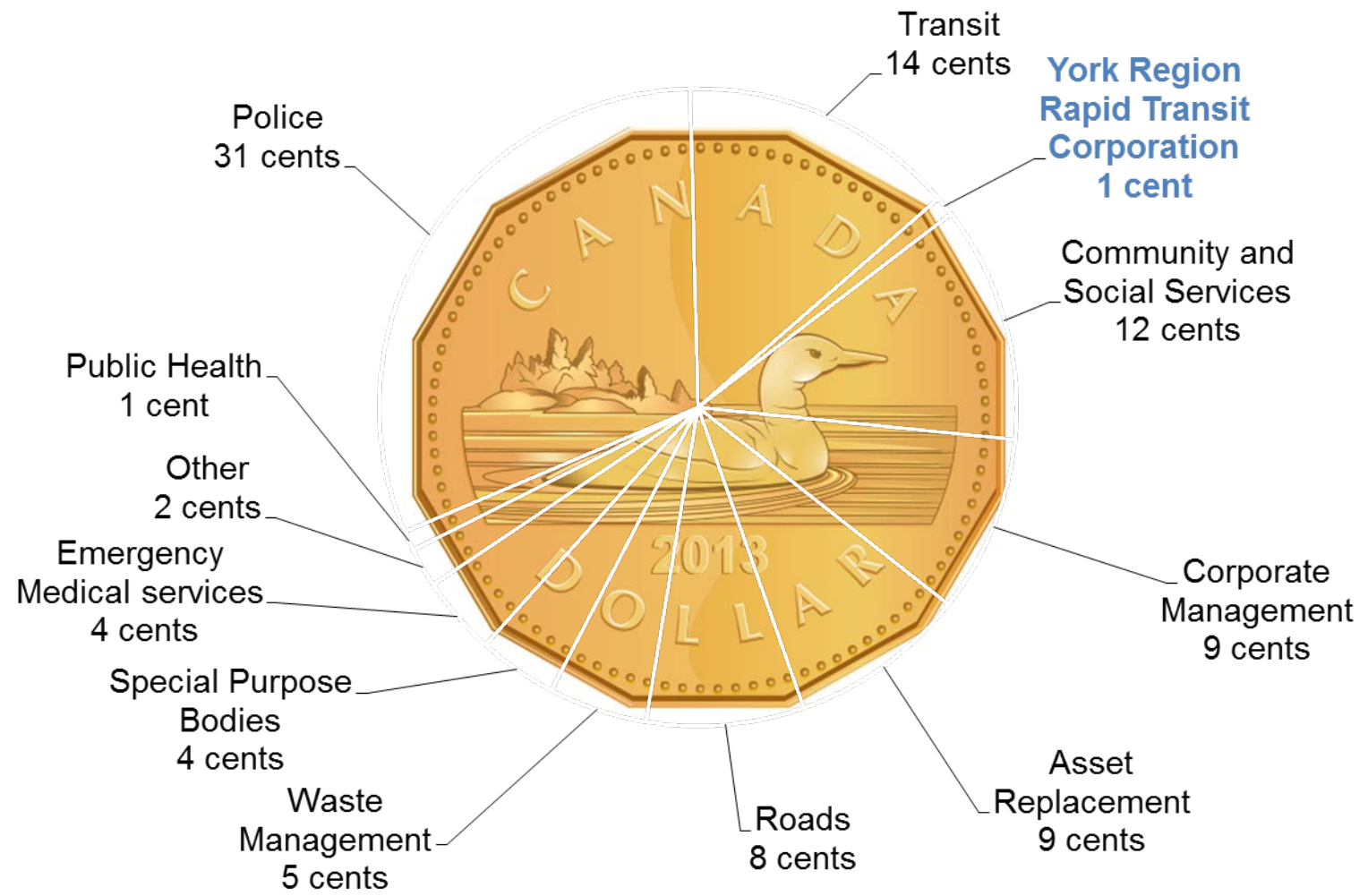
(\$M)	2014 Outlook	2014 Proposed	Change to Outlook
Gross Expenditures	25.5	22.0	(3.5)
Non-Tax Revenue	11.8	10.3	(1.5)
Net Expenditures	13.8	11.7	(2.1)
Y-o-Y Net Expenditure Increase/(Decrease)	17.0%	(0.6%)	(15.0%)
FTEs Requested*	0.0	0.0	0.0

* Permanent FTE's

Proposed Budget vs. Outlook – Net Decrease of \$2.1M

Operating Expenses

Operating Budget – Share of Net Regional Tax Dollar



1 cent of every tax dollar is allocated to York Region Rapid Transit Corporation

Capital Program and Operating Expenses Budget Recap

(\$M)	2014 Outlook	2014 Proposed	Change to Outlook
Operating Budget:			
Net Expenditures	13.8	11.7	(2.1)
% Change in Net Expenditures	17.0%	(0.6%)	(15.0%)
FTEs Requested	-	-	-
Capital Budget:			
Capital Spending Authority	482.8	606.4	123.6
10-Year Capital Plan / Budget		606.4	

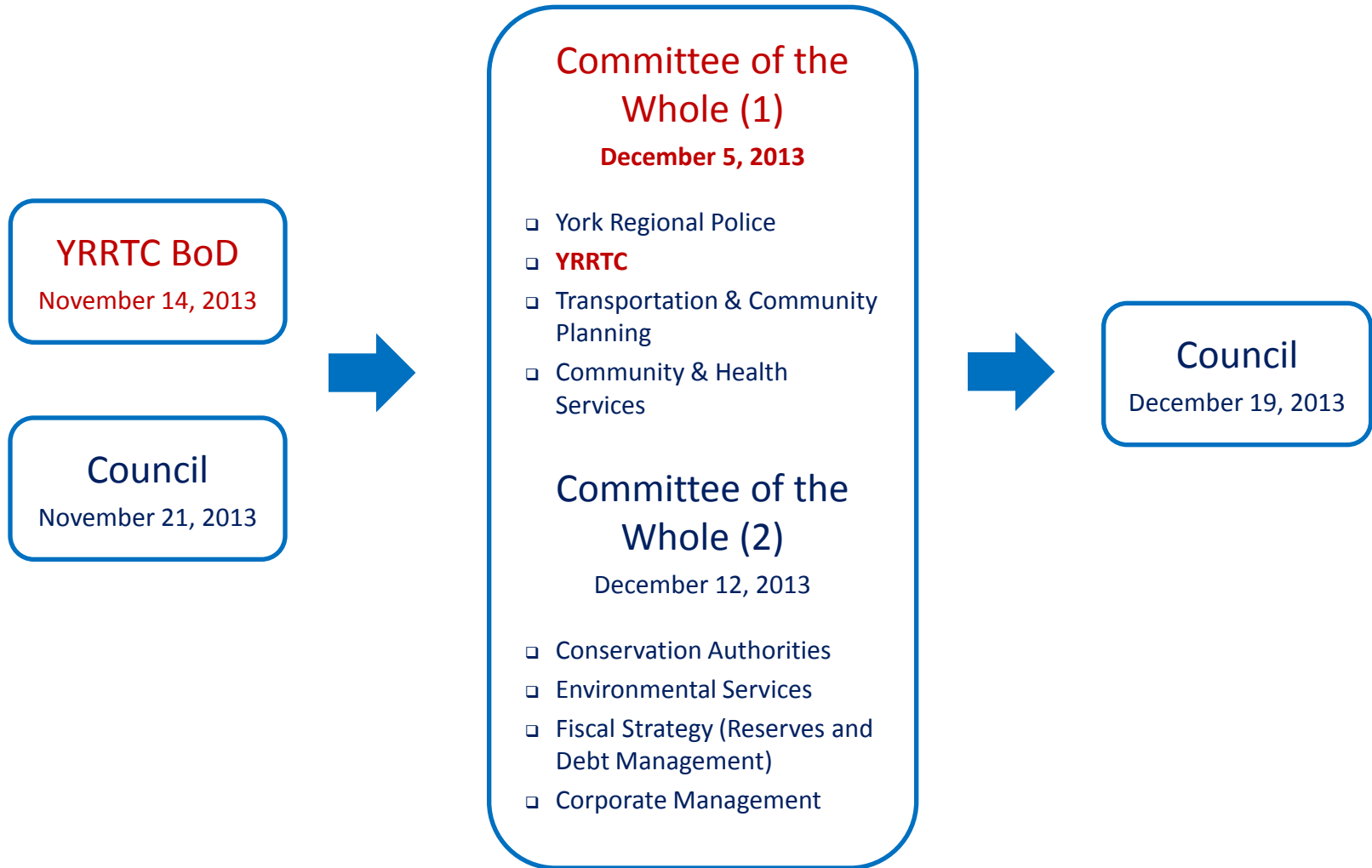


NEXT STEPS



Next Steps

Council/Committee Review Process



- › YRRTC Board of Directors has endorsed the 2014 Capital and Operating Business Plan and Budget @ its meeting on November 14, 2013



Committee of the Whole, Finance & Admin.

- › Recommend the 2014 Capital and Operating Business Plan and Budget presentation for YRRTC be received
- › Forward recommendations to Council on December 19, 2013

Appendices

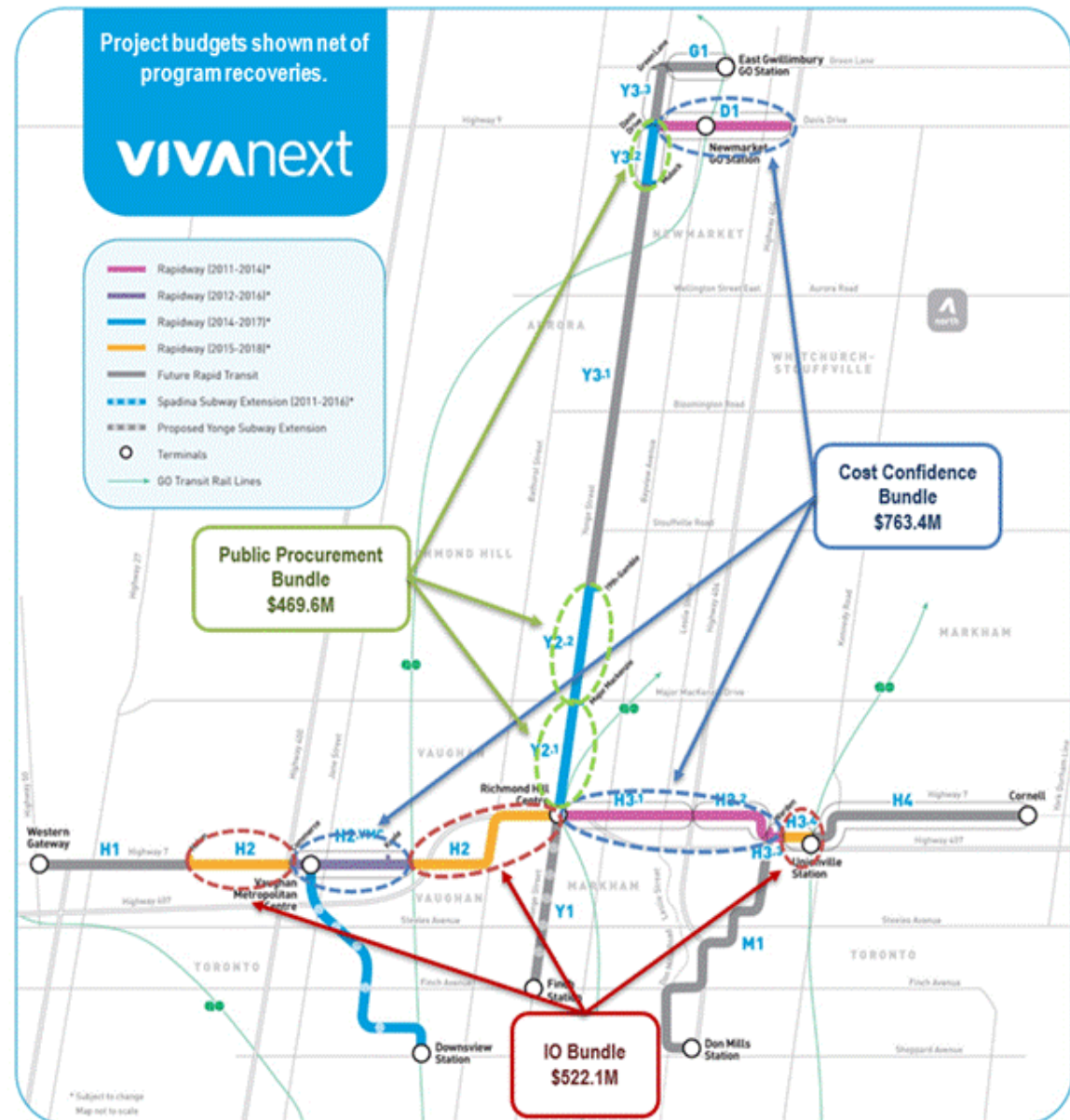
Appendix A – Metrolinx Capital Program

* Overview

Rapidway Segment	Length (km)
Enterprise Drive	
Warden to Birchmount	0.6
Kennedy to Birchmount	1.0
Highway 7	
Yonge to Warden	6.0
Yonge to Bowes	7.8
Bowes to Edgeley	3.6
Edgeley to Helen	4.6
Yonge Street	
Highway 7 to Major MacKenzie	3.6
Levendale Ave. to 19th Avenue	2.9
Mulock to Davis	2.4
Davis Drive	
Yonge to Hwy 404	2.6

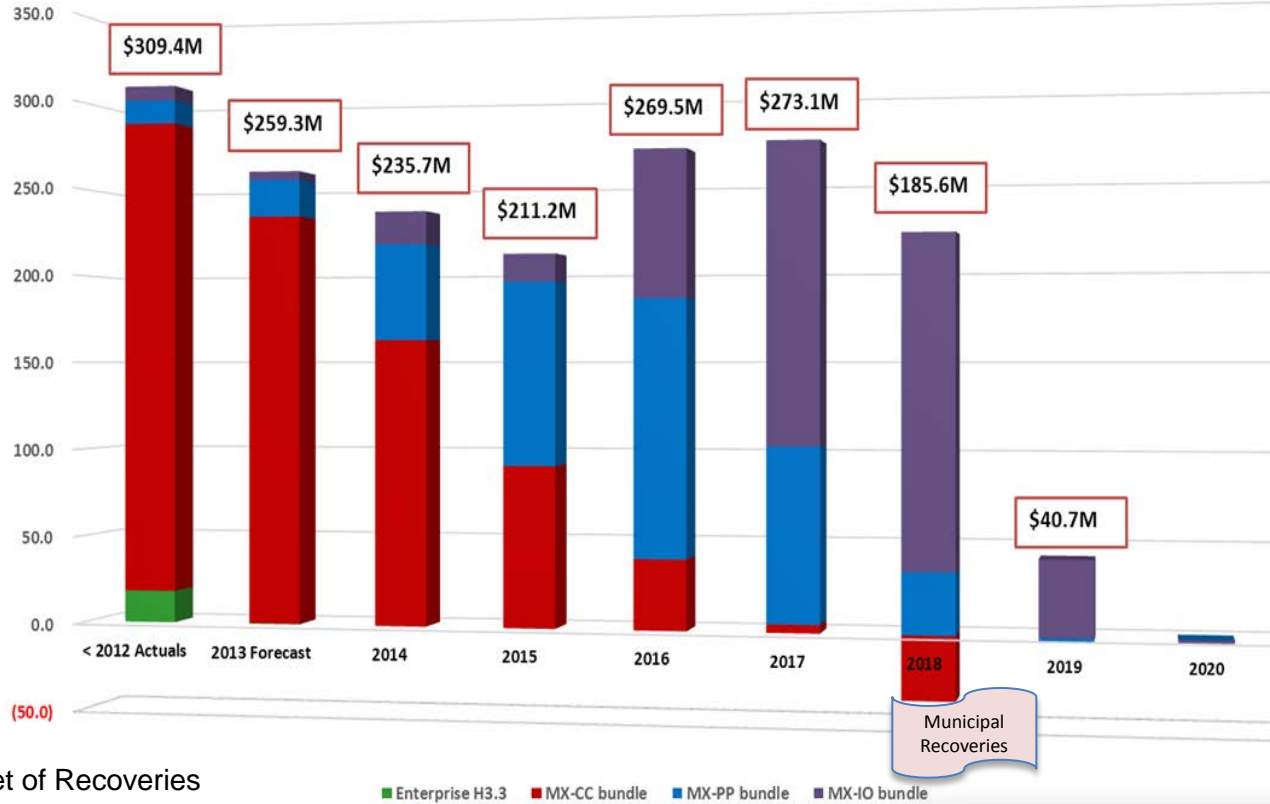
Total BRT Length: 35.1 kms *

* Only includes partial & full rapidways – does not consider transition lanes.



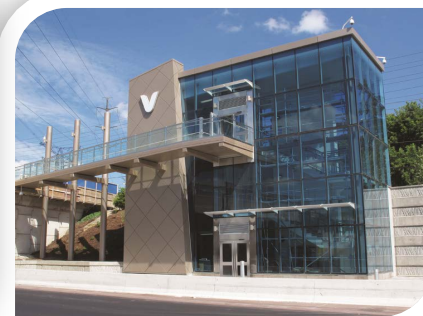
Appendix B – Metrolinx Capital Program

* Cash Flow & Completion Timelines



Rapidway Segment	Construction Start	Scheduled Completion
Enterprise Drive		
Warden to Birchmount	2009	2010
Kennedy to Birchmount	2015	2019
Highway 7		
Yonge to Warden	2010	2014
Yonge to Bowes	2015	2019
Bowes to Edgeley	2012	2016
Edgeley to Helen	2015	2019
Yonge Street		
Highway 7 to Major MacKenzie	2014	2018
Levendale Ave. to 19th Ave.	2014	2018
Mulock to Davis	2014	2018
Davis Drive		
Yonge to Hwy 404	2011	2014

Rapidway construction has begun.



Appendix C – Metrolinx Capital Program

* York Region, Dedicated Charges

\$Millions	< 2012 Actuals	2013	2014	2015	2016	2017	2018+	Total	2014 FTE
Property Services	2.1	1.6	2.0	2.0	1.5	0.8	1.0	\$11.0	15.0
Legal Services	0.9	0.9	0.9	1.0	0.4	0.4	0.8	\$5.2	6.6
Legal Services - External	10.0	0.8	0.8	0.8	0.4	0.4	0.8	\$14.0	■ ■ ■ ■ ■
TCP -Rapid Transit Liaison Office	1.0	1.3	1.4	1.4	1.4	0.9	2.1	\$9.4	12.0
TCP - Transportation & Infrastructure Planning	1.3	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■	\$1.3	■ ■ ■ ■ ■
Long-Range Planning	0.4	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■	\$0.4	■ ■ ■ ■ ■
Geomatics	0.4	0.2	0.2	0.2	0.2	0.2	0.2	\$1.4	■ ■ ■ ■ ■
Supplies & Services	-	0.2	0.2	0.2	0.1	0.1	-	\$0.8	2.0
ITS	■ ■ ■ ■ ■	■ ■ ■ ■ ■	0.1	0.1	■ ■ ■ ■ ■	■ ■ ■ ■ ■	■ ■ ■ ■ ■	\$0.3	■ ■ ■ ■ ■
Total Dedicated Charges	\$16.1	\$5.0	\$5.6	\$5.6	\$3.9	\$2.7	\$4.9	\$43.7	35.6

Total available \$22.7M

Additions for 2014:

- › Property Services - additional funding for 3 incremental Real-Estate Negotiators in 2014
 - › Total of 13 dedicated Real-Estate Negotiators + Supervisors - in support of the property land purchase activities
- › Legal Services – additional funding for an incremental 0.5 Lawyer(s) for Construction/Litigation
 - › Total of 6.6 staff-equivalents
- › TCP-Rapid Transit Liaison Office – additional funding for an incremental 1 Design Technologist

Appendix D – Metrolinx Capital Program

* York Region, Net Operating Impact

Delivery of the Metrolinx Program – Bus Rapidways & Stations will lead to operations and maintenance of this Rapid Transit system by the Region

- › By Year 2019, Net Operating Impact (NOI) to the Region = \$13.4 million. Does not consider:
 - › Incremental revenues from increased Viva ridership
 - › Cost efficiencies and effectiveness between Viva & YRT-Transit operations

Incremental (\$M)	Operating Impact as of 2020
YR Transportation & Community Planning & Environmental Transportation & Community Planning Services	\$ 10.0
Transit - Viva Services	\$ 4.8
Transit - Facilities & Terminals (OMSF)	\$ -
Traffic Management	\$ 0.9
Roads	\$ 4.3
Environmental Services	\$ 3.4
Sub-Total NOI - Rapid Transit Operations & Maintenance (O&M)	\$ 13.4

Note: Capital Rehabilitation & Maintenance as per the Metrolinx-Region Operating & Access Agreement

Appendix E – Capital Recoveries

2014 Operating Budget, with Recoveries from Capital Programs

\$Millions	2014
Gross Operating Expenses	17.2
Financing Costs	19.7
TOTAL OPERATING EXPENSES	36.9
- Metrolinx: NS Property Services	(2.0)
- Metrolinx: NS Transportation - Road	(1.4)
- Metrolinx: NS Legal Services	(0.9)
- Metrolinx: NS IT Services	(0.1)
- Metrolinx: NS Supplies & Services	(0.2)
- Metrolinx: NS Geomatics	(0.2)
- Metrolinx: Rent Costs	(0.7)
- Metrolinx: Direct Staff & Admin Services	(7.5)
- Metrolinx: External Professional Services	(0.1)
Total Metrolinx Recoveries	(13.2)
- YR: NS Transportation - I & CP	(0.5)
- YR: NS Long-Range Planning	(0.1)
CSIF Recoveries	(0.3)
TYSSE Recoveries	(0.7)
York Region Initiatives	(0.1)
TOTAL RECOVERIES	(14.9)
TOTAL REVENUES	(10.3)
NET OPERATING EXPENDITURES	11.7

*** YRRTC - Direct Staff & Admin. Services Recoverable ***

2014: Total Recoverables: \$8.6M; Total Recoverable FTEs: 63.7

- Metrolinx: 87.33% ($55.63/63.7 = 87.33\%$)

- CSIF: 3.50% ($2.25/63.7 = 3.53\%$)

- TYSSE: 8.20% ($5.38/63.7 = 8.44\%$)

- York Region Initiatives: 0.80% ($0.45/63.7 = 0.70\%$)

YRRTC Staff of 75 & YR “Assigned” Staff of 35.6 in 2014:

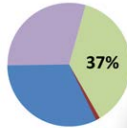
Metrolinx Capital Program * \$1.8B *

100%



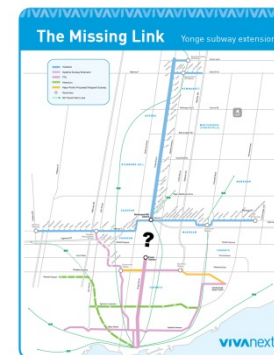
2013 Exist.:	40.6	
2014 New:	15.0	+
Sub-Total:	55.6	YR of 35.6

Regional Capital Program * \$1.4B *



2013 Exist.:	7.1
2014 New:	1.0
Sub-Total:	8.1

Corporate



2013 Exist.:	11.3
2014 New:	0.0
Sub-Total:	11.3

Thank you



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