

Clause 7 in Report No. 17 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on December 14, 2017.

7

2018 Budget – York Region Rapid Transit Corporation

1. Receipt of the presentation by Mary-Frances Turner, President, York Region Rapid Transit Corporation.
 2. Adoption of the following recommendations contained in the report dated November 14, 2017 from the Commissioner of Finance:
 1. The Committee of the Whole recommends the budget as submitted for York Region Rapid Transit Corporation as follows:
 - a) The 2018 operating budget as summarized in Attachment 1.
 - b) The 2018 capital expenditures and the 2018 Capital Spending Authority, as summarized in Attachment 2.
 2. The recommended budget be consolidated by the Treasurer for consideration for Council approval on December 14, 2017.
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Report dated November 14, 2017 from the Commissioner of Finance now follows:

1. Recommendations

It is recommended that:

1. The Committee of the Whole recommends the budget as submitted for York Region Rapid Transit Corporation as follows:
 - a. The 2018 operating budget as summarized in Attachment 1
 - b. The 2018 capital expenditures and the 2018 Capital Spending Authority, as summarized in Attachment 2.

2. The recommended budget be consolidated by the Treasurer for consideration for Council approval on December 14, 2017.

2. Purpose

This report provides a summary of the 2018 Operating and Capital Budget for York Region Rapid Transit Corporation (YRRTC) for consideration by Committee.

3. Background and Previous Council Direction

On [December 15, 2016](#) Council approved an operating outlook for 2018

As part of the 2017-2018 Budget, Council approved an outlook for the operating budget for 2018. This approved outlook formed the starting point for this year's budget. Evolving circumstances and emerging pressures are a natural part of a multi-year budget process. Absent of extraordinary pressures, departments, boards and agencies were expected to stay within their outlook. The 2018 operating budget reflects any revisions that have been made to the previously approved outlook.

The 2018 Budget was tabled on November 16, 2017

The consolidated 2018 Operating and Capital Budget was tabled with Council on November 16, 2017. It was received and referred to the December meetings of Committee of the Whole for consideration and recommendation.

The 2018 Budget Direction report, approved by Council on [May 18, 2017](#), outlined the proposed timelines and indicated that the 2018 budget would be approved in December 2017, as long as Council is satisfied with it through the review process.

A one-year operating budget was tabled for Council's consideration

The operating budget presented is a one-year budget for the remaining year of Council's term. Council is asked to approve the budget for 2018.

Multi-year commitments for capital projects are proposed as part of the budget process

Many complex capital projects span several years of planning, design and construction, requiring multi-year spending authority.

Capital Spending Authority is requested for projects with contractual and other clear or certain multi-year commitments. As in previous years, Council is asked to approve multi-year Capital Spending Authority for capital projects.

4. Analysis and Implications

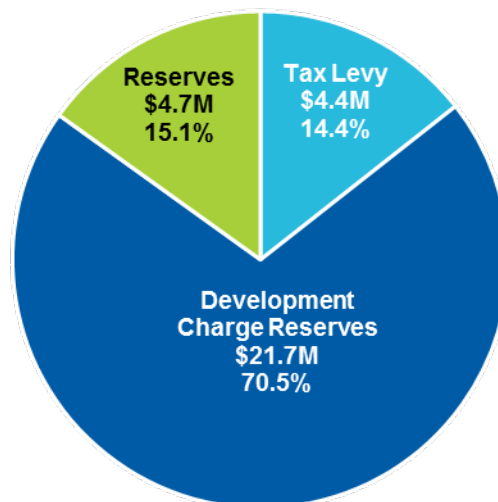
Operating Budget (page 88)

The tax levy funds 14.4% of York Region Rapid Transit Corporation's total spending

The budget shows both the gross operating expenditures (total budget) and the net tax levy (the portion of the budget paid for by the tax levy).

York Region Rapid Transit Corporation's total gross budget for 2018 is \$30.8 million. As shown in Figure 1 below, the tax levy pays for 14.4% of the services provided by YRRTC. Most of the remaining funds come from draws from the development charge reserve, which are used to service debt.

Figure 1
Gross Expenditures by Funding Sources



The proposed budget for York Region Rapid Transit Corporation reflects net operating expenditures of \$4.4 million in 2018

The 2018 operating budget includes the cost of providing:

- Base services
- Legislated and contractual requirements
- Fiscal strategy requirements
- Impact of capital
- Growth
- Service enhancements.

The proposed net budget for YRRTC is \$4.4 million, or 0.4% of the total 2018 proposed Regional net operating budget, as shown in Figure 2 below.

Figure 2
YRRTC Share of the Tax Levy

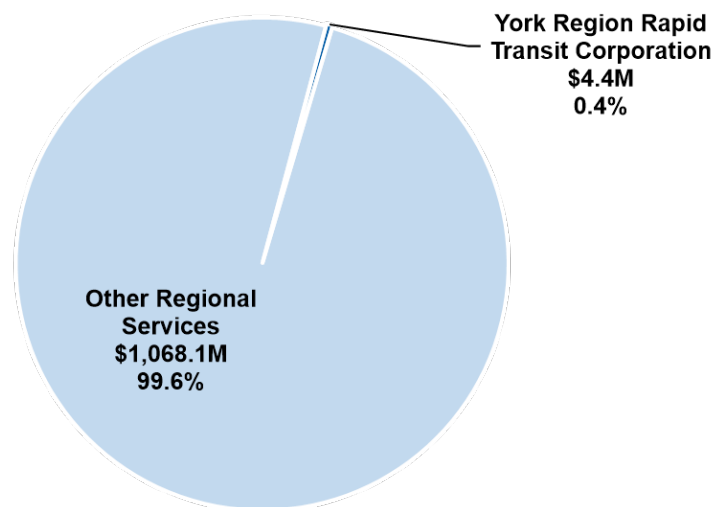


Table 1 in Attachment 1 summarizes the proposed gross and net operating budgets for 2018.

York Region Rapid Transit Corporation is within the approved outlook

York Region Rapid Transit Corporation’s proposed 2018 budget is within the outlook approved as part of the 2017 to 2018 Budget.

Capital Budget (page 90)

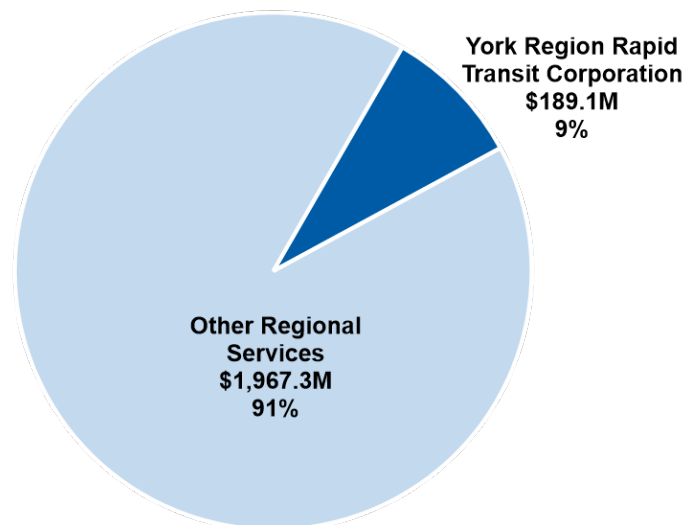
Approval of 2018 capital expenditures of \$96.1 million and Capital Spending Authority of \$189.1 million is requested for York Region Rapid Transit Corporation

The capital budget includes new infrastructure projects in support of growth, rehabilitation and replacement of existing infrastructure and service enhancement.

The proposed Capital Spending Authority for YRRTC is \$189.1 million, or 9% of the total 2018 Capital Spending Authority, as shown below in Figure 3.

Figure 3

YRRTC Share of Capital Spending Authority



Attachment 2 summarizes the 2018 Capital Spending Authority by program and shows the associated funding sources for York Region Rapid Transit Corporation. Major initiatives include ‘Facilities & Terminals’ in support of the Viva bus rapid transit system, the completion of the Toronto-York Spadina Subway extension, and the planning and design of the Yonge Subway extension. Details on the individual projects are available in the 2018 Budget book starting on page 277.

The budget is informed by Council-approved strategies and plans

The 2018 budget for YRRTC reflects the directions and strategies set out in Vision 2051, the York Region Official Plan and the Transportation Master Plan. The budget is also supportive of the objectives outlined in the 2015 to 2019 Strategic Plan.

5. Financial Considerations

The net operating budget for YRRTC totals \$4.4 million in 2018, as summarized in Attachment 1.

The proposed 2018 Capital Spending Authority reflects a multi-year commitment of \$189.1 million, as summarized in Attachment 2.

6. Local Municipal Impact

The Region provides essential services to the residents and businesses in York Region. The challenge of meeting growing demands for service and improving service delivery is addressed through the Region's business planning process. The Region's investments support local municipalities.

7. Conclusion

This report sets out the proposed 2018 budget for the York Region Rapid Transit Corporation. To facilitate the completion of the budget process, it is recommended that the Committee's recommendations be forwarded to Council for consideration on December 14, 2017.

For more information on this report, please contact Kelly Strueby, Director, Office of the Budget, at 1-877-464-9675 ext. 71611.

The Senior Management Group has reviewed this report.

November 14, 2017

Attachments (2)

8008629

Accessible formats or communication supports are available upon request

2018 Budget Summary for York Region Rapid Transit Corporation
Proposed Operating Budget Expenditures
(in \$000s)

Department	Page No.	2018 Budget	
		Gross	Net
York Region Rapid Transit Corporation	88	30,827	4,436
Total		30,827	4,436

Note: Net operating expenditures= tax levy

2018 Capital Expenditures and Capital Spending Authority (CSA)
York Region Rapid Transit Corporation

York Region Rapid Transit Corporation	Page No.	2018 \$000s	2018 CSA \$000s
Project Expenditures:			
York Region Rapid Transit Corporation	90	96,130	189,085
Funding Sources:			
General Capital Reserve	90	1,618	1,809
Development Charge Reserves	90	31,626	93,277
Federal Gas Tax Reserves	90	27,390	48,667
Grants & Subsidies	90	34,096	43,932
Other Recoveries	90	1,400	1,400
Total Funding Sources		96,130	189,085

York Region Rapid Transit Corporation



Committee of the Whole Meeting | November 30, 2017

York Region Rapid Transit Corporation

Budget 2018

board of directors



Chairman of the Board
Frank Scarpitti
Mayor
Markham



Vice-Chairman of the Board
Maurizio Bevilacqua
Mayor
Vaughan



Director & CEO
Wayne Emmerson
Chairman and CEO
The Regional Municipality of York



Director
Dave Barrow
Mayor
Richmond Hill



Director
Tony Van Bynen
Mayor
Newmarket



Director
Jim Jones
Regional Councillor
Markham



Director
Vito Spatafora
Regional Councillor
Richmond Hill

executive management team



President
Mary-Frances Turner



Chief Financial Officer and Treasurer
Michael Cheong



Chief Engineer
Paul May



Design Chief, Infrastructure and Development
Raj Mohabeer



Chief Communications Officer
Dale Albers



Chief Legal Officer & Corporate Secretary
Antoinette Bozac

mission

Our mission is to design and deliver an exceptional rapid transit system attracting, moving and connecting people to York Region's urban centres and destinations.

vision

Our mission supports our vision where:

- People can move quickly, conveniently and reliably without a vehicle
- Public transit is used extensively because it is attractive, easy to use, efficient and economical
- People live, work, shop and play in close proximity to public transit
- Employers locate in York Region because of its robust transit options for employees
- Development and public transit are planned together to shape communities, support a sustainable future and promote energy conservation

Transit investment supports growth in the Region's Centres & Corridors



Richmond Hill



Newmarket



Vaughan



Markham



* Subject to change
Map not to scale
Rev. 11-2017
© Metrolinx

Transit investment supports growth in the Region's Centres & Corridors



Centres & Corridors

Home to
50,000 people

Permits for
1.3 M sq. ft of office space have
been issued since 2013

118,000 people employed
by businesses

100% of all new office development
was located within the Centres
and Corridors in 2016

17% residents use transit as
primary mode of commuting



Highway 7 East Markham Centre

41,000 residents

39,000 jobs

75% residential growth
in centre since 2009



Davis Drive Newmarket Centre

33,000 residents

32,000 jobs

100% residential growth in centre since 2009



>> Richmond Hill / Langstaff

48,000 residents

31,000 jobs

65% residential growth in centre since 2009

Yonge Street 2010



Yonge Street 2016



Yonge Street - Richmond Hill

45%

of all the high density
growth in 2016
in York Region

3,000+

new apartment units
added since 2010 with

1,000+

units proposed

Yonge Subway Extension will unlock planned growth and development



Yonge Subway Extension

Only 1/3 of the planned growth can proceed or about

7,000 units / **15,000** people

The subway would allow its full potential

23,000 units / **31,000** jobs



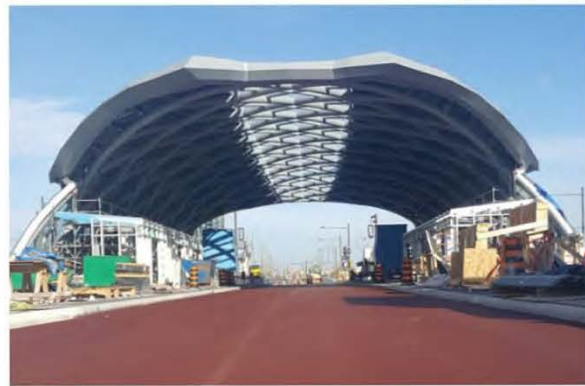
Highway 7 West
Vaughan Metropolitan Centre

25,000 residents

11,500 jobs

97% residential growth
in centre since 2008

Spadina Subway extension gives commuters more options



Highway 7 West Viva Rapidway



SmartCentres Place Bus Terminal



Toronto-York Spadina Subway Extension

Vaughan Metropolitan Centre Station becomes a destination



Rapid transit supports a growing Vaughan Metropolitan Centre



Vaughan Metropolitan Centre Station





Pioneer Village Station



Building beautiful and sustainable facilities



Metrolinx Capital Program	Metrolinx Assets	Regional Assets
Highway 7 East	\$307.9M	\$94.6M
Davis Drive	\$236.1M	\$132.0M
Highway 7 West	115.8M	TBD
Total	\$659.8M	\$226.6M

Regional Capital Program	Regional Assets
Viva Buses (53)	\$46.6M
OMSF	\$135.4M
Enterprise Dr. – Station	\$18.7M
Total	\$200.7M

Total Regional Assets	\$437.3M
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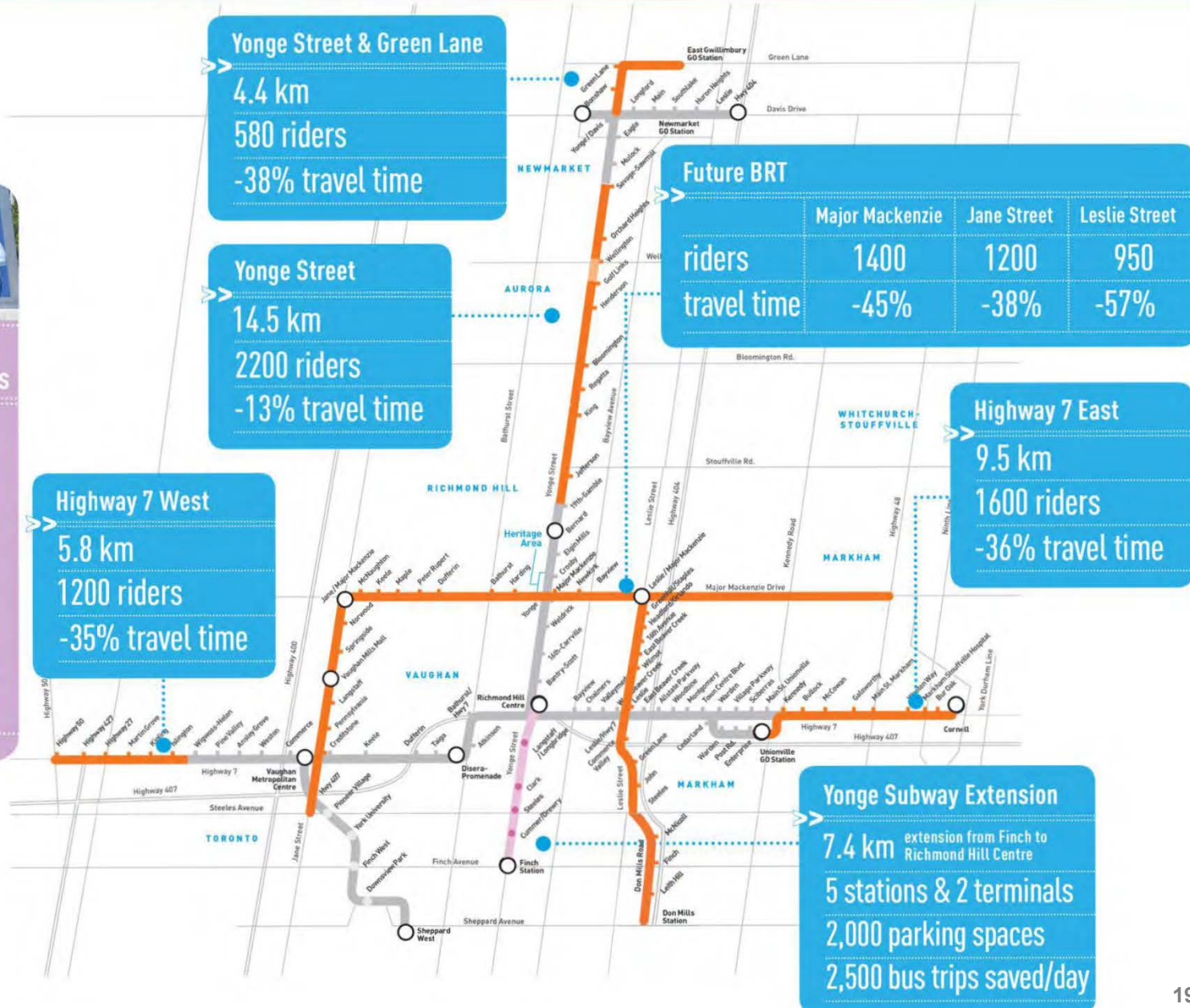
Future investments are needed to complete the network



Unfunded Future Rapid Transit Network includes

Over **50 km**
of dedicated BRT lanes

7.4 km
extension of Line 1 to
Richmond Hill Centre



Transit priorities are reflected in the Metrolinx & York Region Transportation Plans



York Region rapid transit priorities

- Yonge North Subway Extension
- Yonge North BRT
- Highway 7 East BRT
- Highway 7 West BRT
- Jane /Major Mackenzie/ Leslie BRT
- Yonge Street/Green Lane BRT



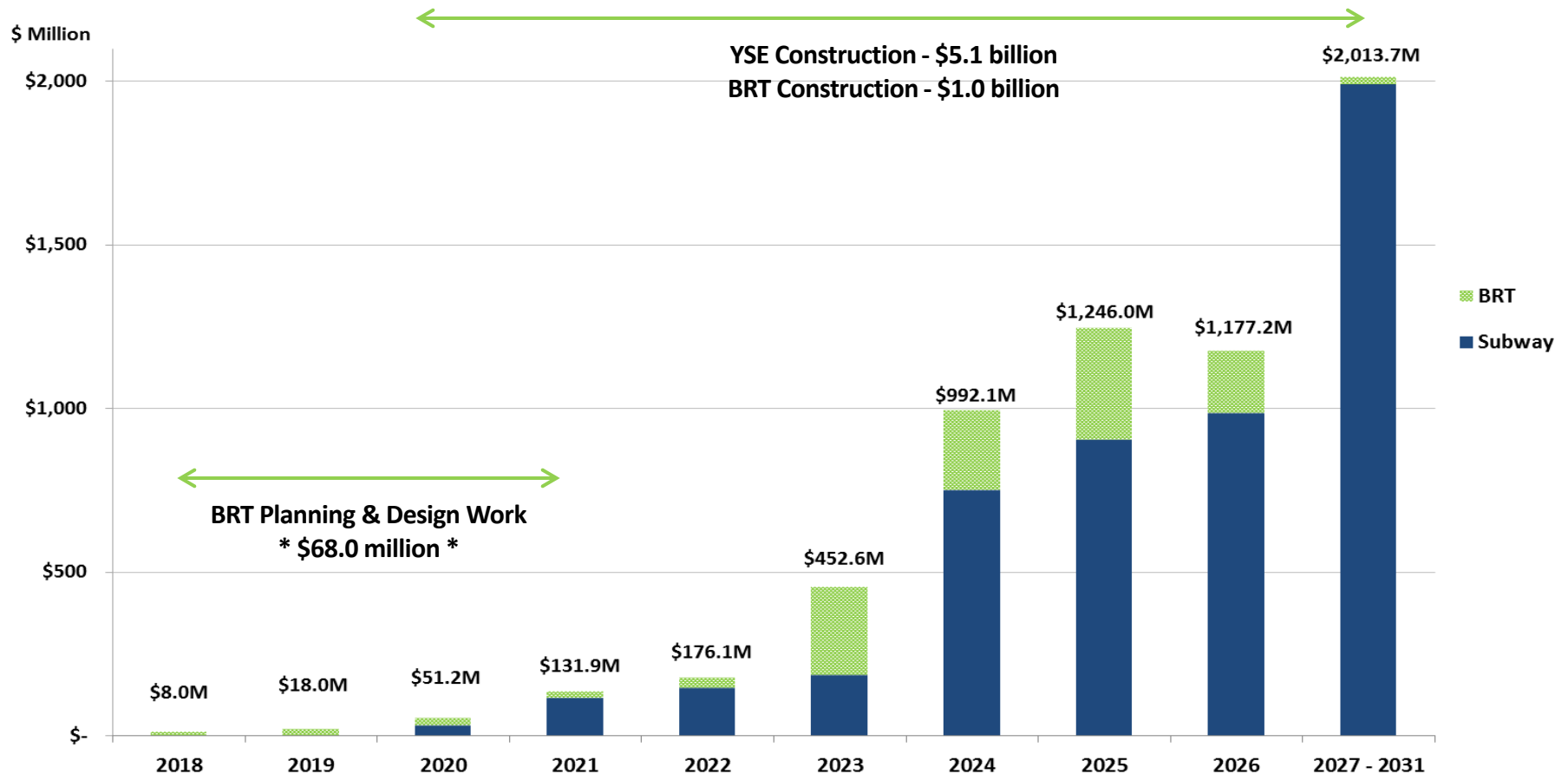
Yonge Subway Extension

Construction **\$5.1B**

Future BRT [2018-2028]

Total
Project Cost **\$1.068B**

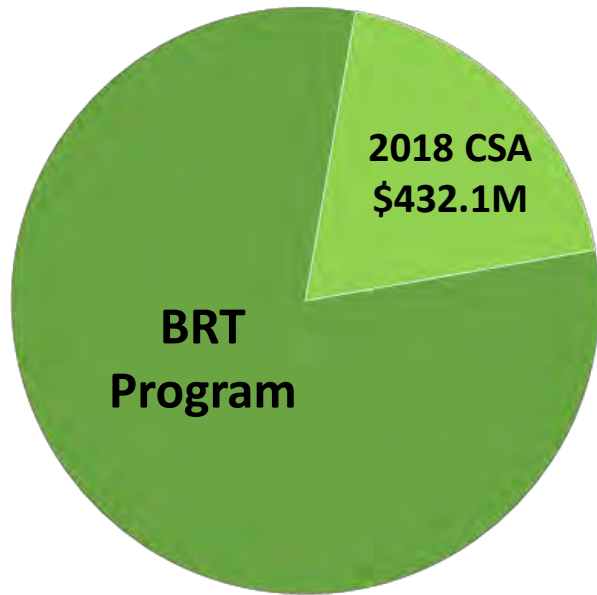
- > The Region’s rapid transit priorities in YRRTC’s 10-Year Business Plan, are not included in the 2018 Multi-Year Capital Expenditures Budget, Metrolinx or Regional Capital Programs



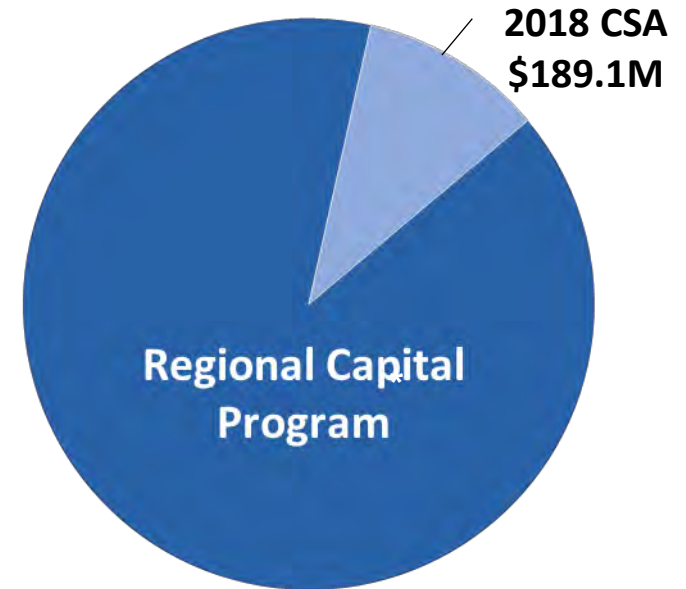
- Investing in Canada Plan (Integrated Bilateral Agreements)
- Metrolinx Regional Transportation Plan
- Canada Infrastructure Bank



Metrolinx Capital Program – BRT, \$1.784B



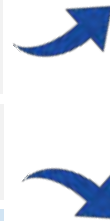
Regional Capital Program – \$1.63B



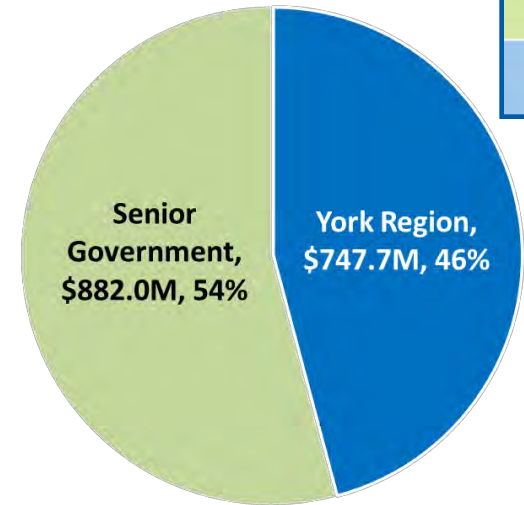
*Includes Region's PTIF allocation of \$36.3M

Regional Capital Program

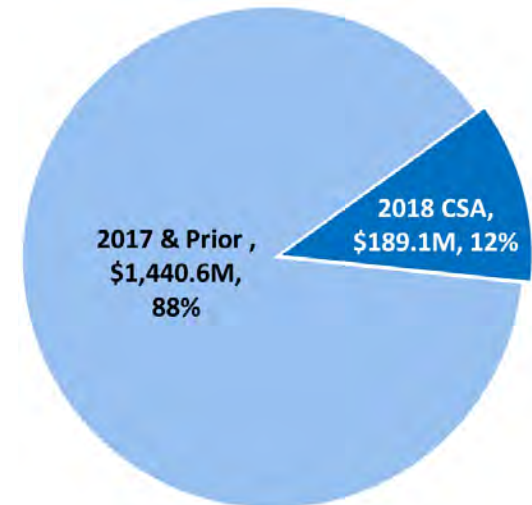
Capital Plan & Budget (\$ Millions)	2018 Proposed
Total Regional Funded Program	\$1,629.7M
10-Year Capital Plan	\$189.1M
2018 Capital Spending Authority	\$189.1M
2018 Capital	\$ 96.1M



Funding Sources

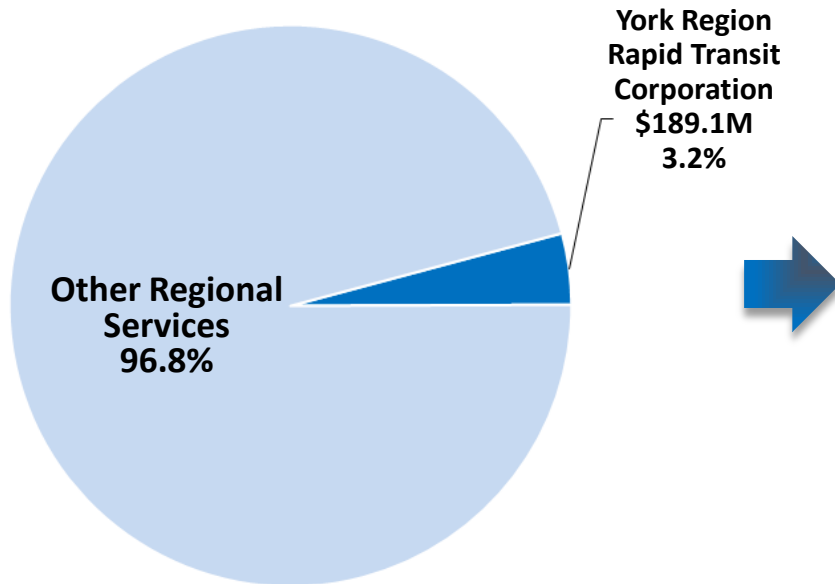


Capital Expenditures



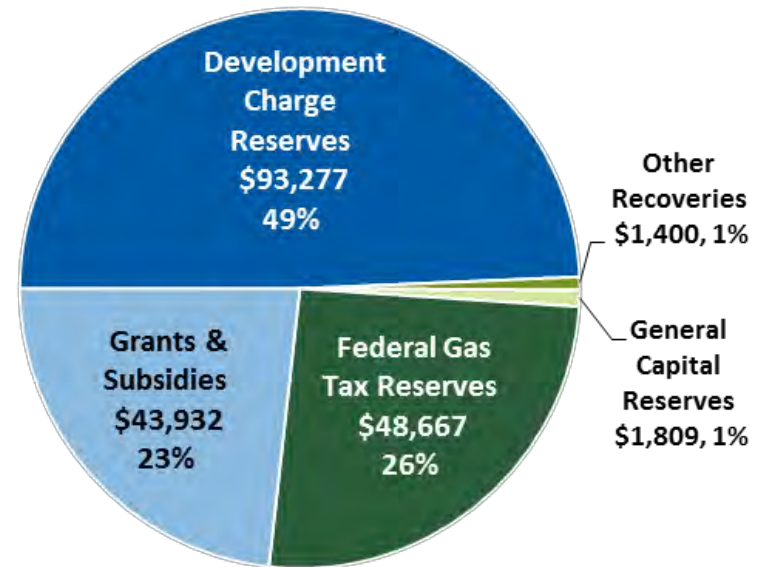
Share of York Region 10-Year Capital Plan and CSA Funding Sources

York Region 10-Year Capital Plan

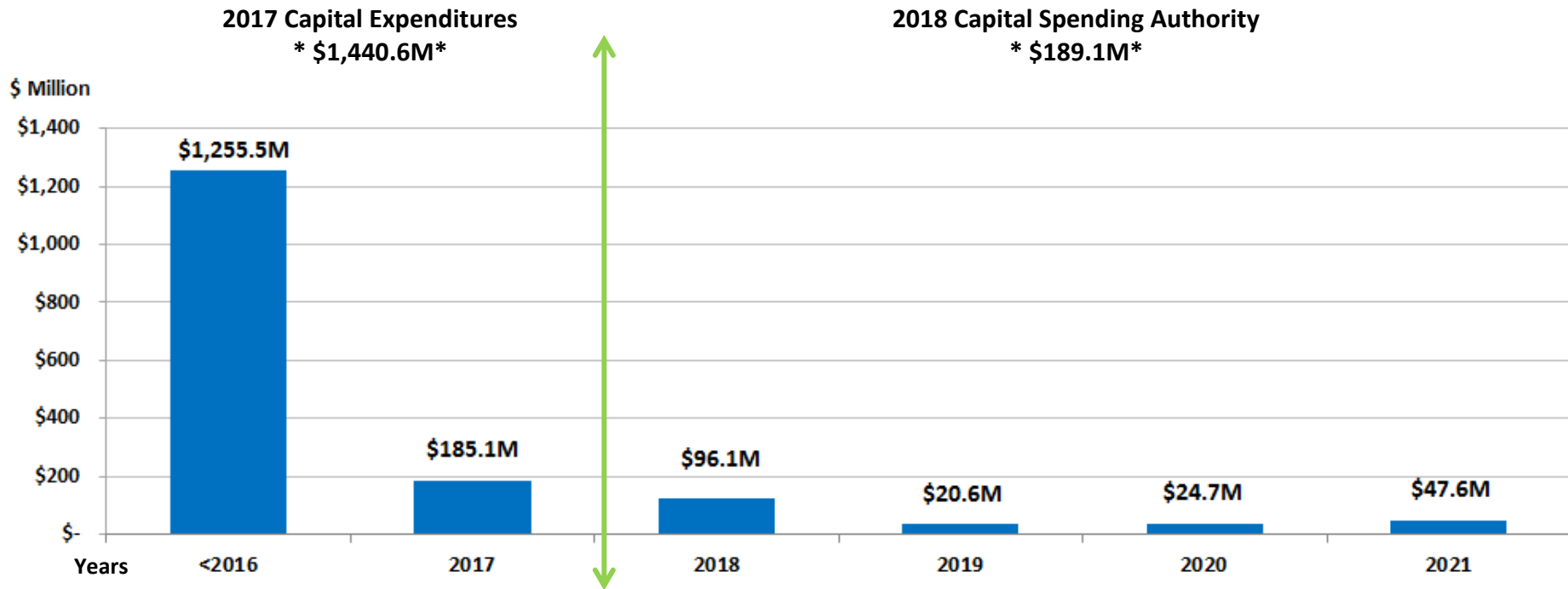


YRRTC 2018 CSA Funding Sources

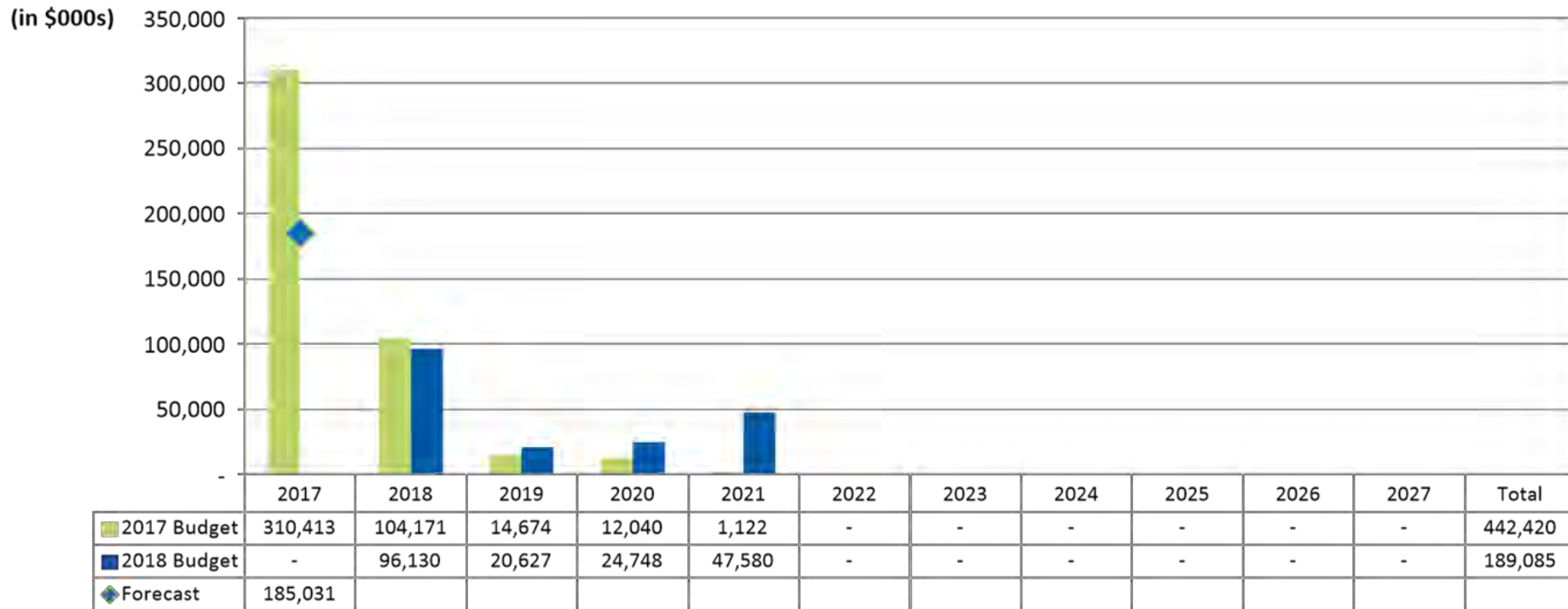
Total: \$189.1M



10-Year Capital Plan and Capital Spending Authority (CSA)



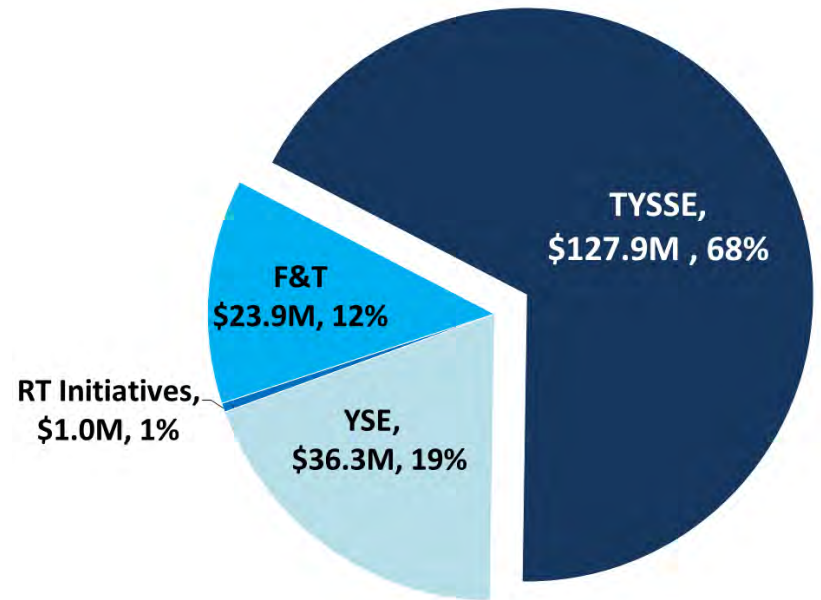
Comparison of Ten-Year Capital Plan 2017 vs. 2018



Toronto-York Spadina Subway Extension (TYSSE)



2018 Capital Spending Authority of \$127.9M

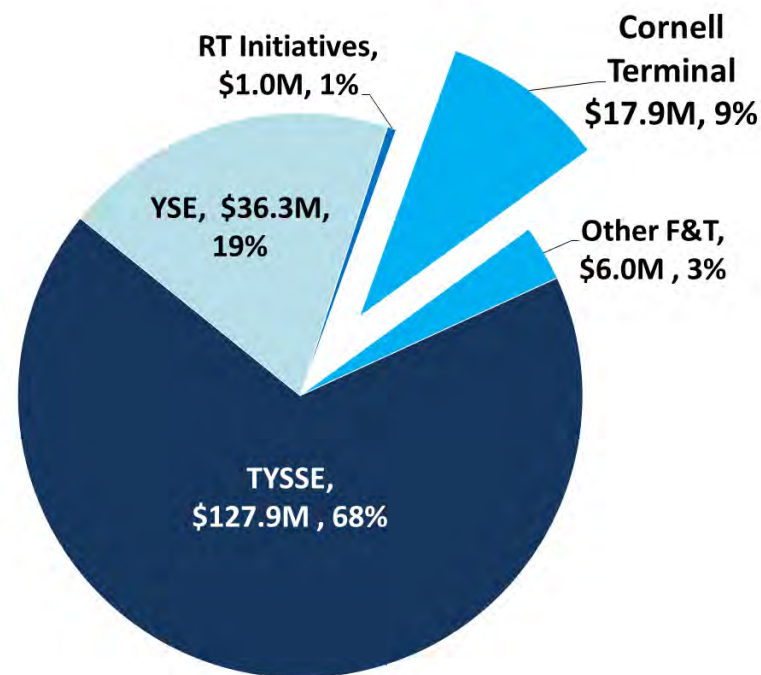


York Region contributes \$0.19 to every dollar towards the YYSSE

Cornell Terminal

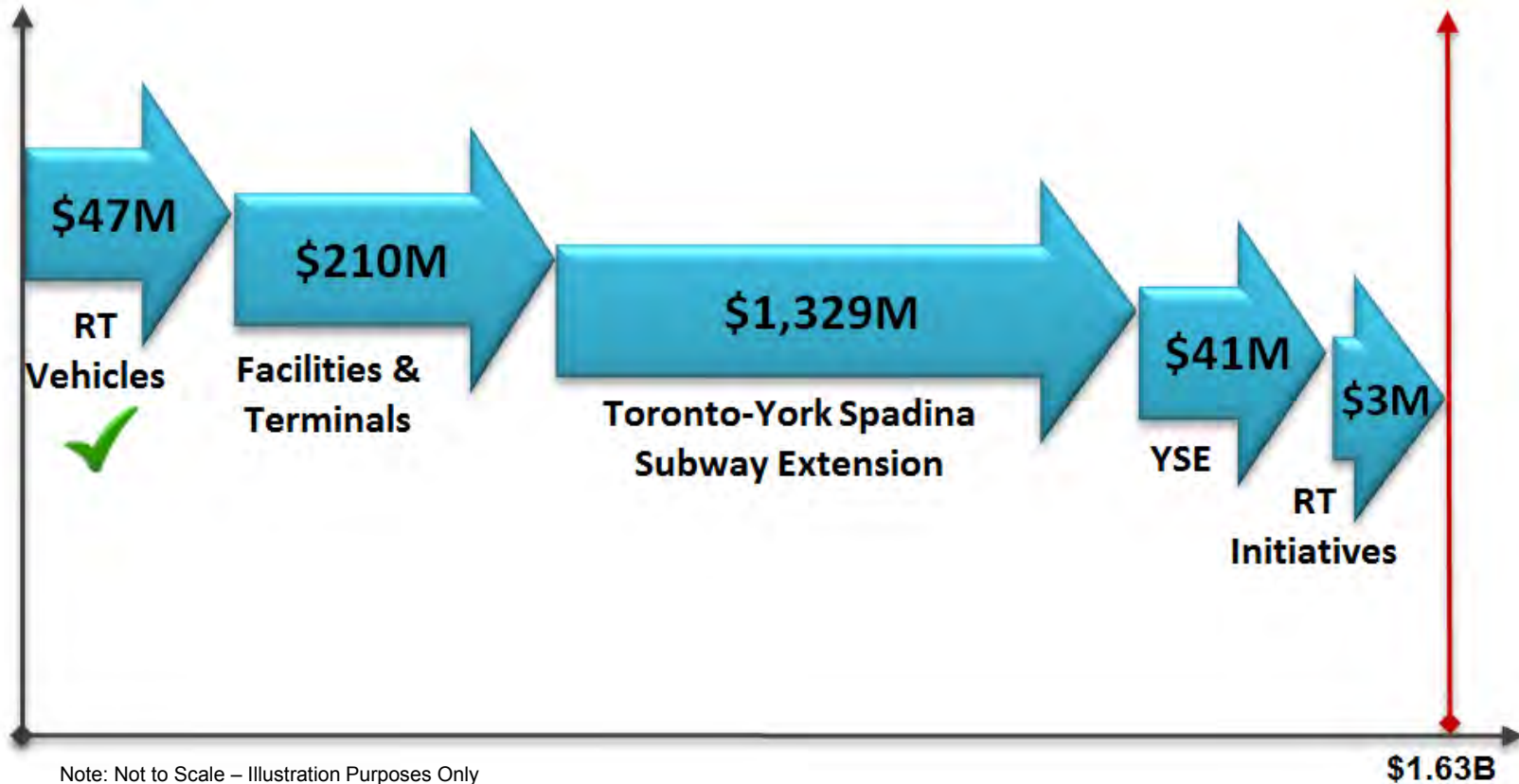


2018 Capital Spending Authority of \$17.9M

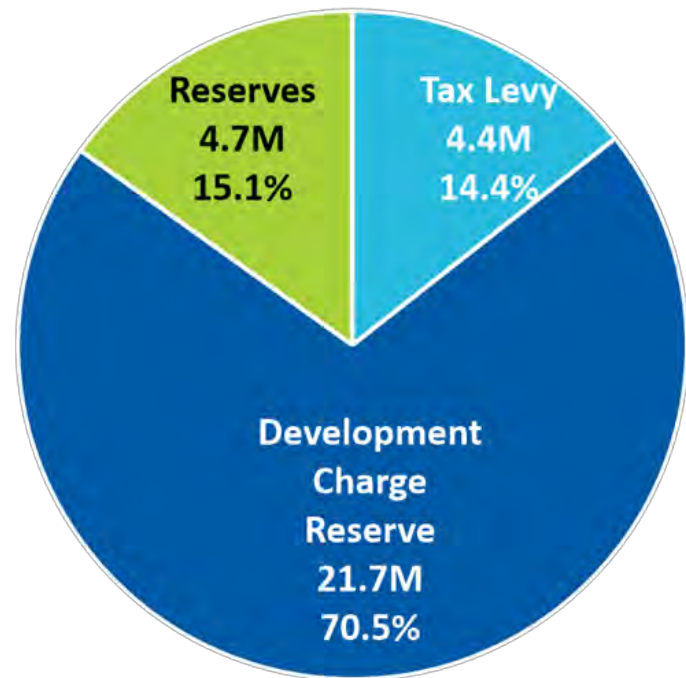
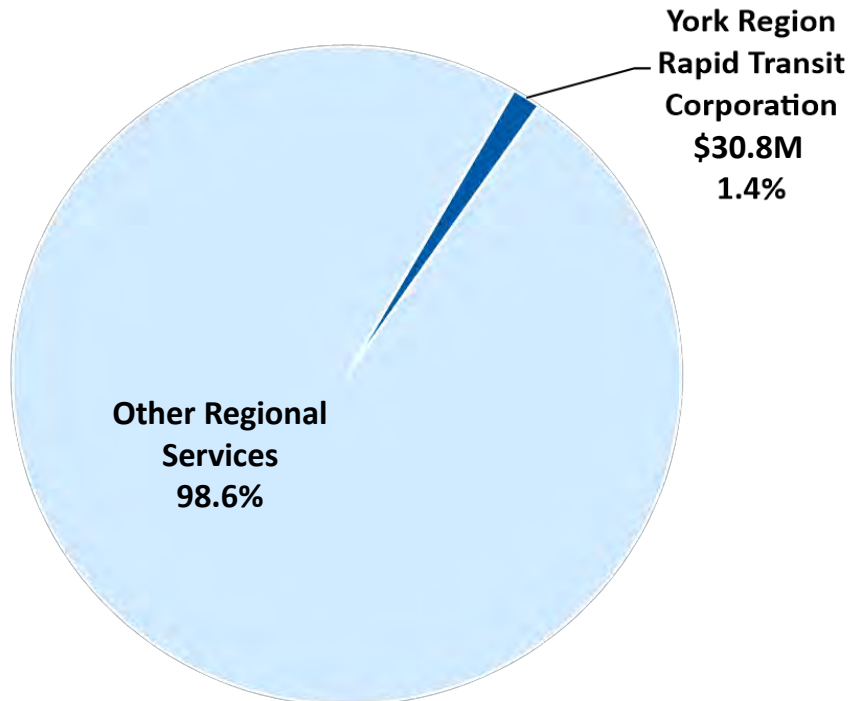


York Region contributes \$0.27 to every dollar towards the Cornell Terminal

Regional Capital Program – \$1.63B

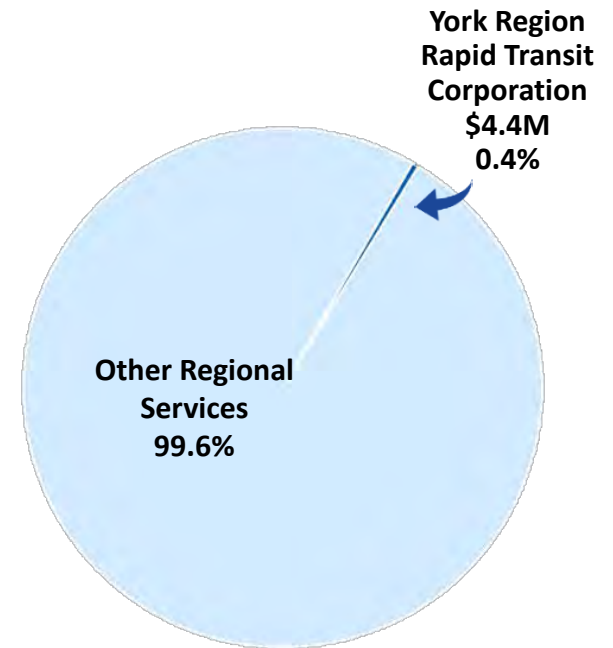


YRRTC Share of Tax Dollars and Funding Sources



- › Operating Budget is within the outlook approved as part of the 2017 to 2018 Budget

\$Millions	2017 Approved	2018 Proposed
Gross Expenditures	\$ 24.9M	\$ 30.8M
Non-Tax Revenues	(\$ 20.2M)	(\$ 26.4M)
Net Expenditures	\$ 4.7M	\$ 4.4M
Increase/(Decrease) (Year over Year) 2017 Approved Outlook		(4.84%)
Operating Budget Envelope		\$ 4.4M



\$Millions	2015 Approved	2016 Approved	2017 Approved	2018 Proposed
Gross Expenditures	\$ 21.8M	\$ 24.2M	\$ 24.9M	\$ 30.8M
Net Tax Levy	\$ 9.2M	\$ 7.9M	\$ 4.7M	\$ 4.4M
10-Year Capital Plan	\$ 488.3M	\$ 466.9M	\$ 442.4M	\$ 189.1M
Capital Spending Authority	\$ 488.3M	\$ 466.9M	\$ 442.4M	\$ 189.1M

*Note: 2016 10-Year Capital Plan and Capital Spending Authority includes \$140 Million that was reprofiled.

It is recommended that:

1. The Committee of the Whole recommends the budget as submitted for York Region Rapid Transit Corporation as follows:
 - a) The 2018 operating budget as summarized in Attachment 1
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2. The recommended budget be consolidated by the Treasurer for consideration for Council approval on December 14, 2017

