

February 17, 2016

The Honourable Wayne Easter
Chair
Standing Committee on Finance
House of Commons
Parliament Buildings
Ottawa, Ontario
K1A 0A6

Dear Hon. Wayne Easter,

RE: City of London Pre-budget submission on Rapid Transit

Please consider this letter and attached document as the City of London's 2016 pre-Budget submission to the House of Commons Standing Committee on Finance.

The City of London is seeking a federal investment of \$388 million over 10 years to support *Shift* - our Rapid Transit initiative. We strongly believe that *Shift* represents a once-in-a-generation opportunity to build a strong London and a strong Southwestern Ontario.

London is the largest city in Canada without a Rapid Transit system. Canada's major urban regions have demonstrated that Rapid Transit leads to transformative benefits for families and businesses. To realize these benefits in Southwestern Ontario, all governments must partner to advance quality projects that will get Canadians moving.

London is Canada's 11th largest city with a population of 450,000 within the metropolitan area. London is also the regional hub of Southwestern Ontario, serving 2.5 million Ontarians in the region who rely on our health care and educational institutions, as well as services and amenities such as sports, music, culture, and recreation.

Over the next 20 years, London will grow by nearly 80,000 people, adding approximately 43,000 jobs to the local economy. This growth will put a strain on the city's roadways and public transit system, which are already operating over capacity. Ridership has grown by 94% over the last 20 years, and we expect it to grow an additional 40%, to 33 million rides per year, by 2035. London has the highest per capita transit ridership among peer municipalities in Ontario.

In a 2015 survey, Londoners identified infrastructure, transportation and economic development as the three most important issues facing the city. In response, the City has identified Rapid Transit as a top priority due to its ability to transform local economies while also securing a higher quality of life for citizens.

Rapid Transit is at the heart of our City's long-term strategic planning. *The London Plan* has positioned Rapid Transit as the first step in a much broader strategy to re-invent our City – building inward and upward with a vision for London that is economically and environmentally competitive and sustainable both nationally and internationally.

The estimated capital cost of the system is \$900 million. The estimated annual operating and maintenance cost over the next 30 years is \$287 million (Net Present Value), for a total project cost of \$1.188 billion.

The City of London is seeking a partnership from the Government of Canada to move forward with *Shift*. A commitment of one-third of the capital project would amount to \$388 million investment over a ten year period. A federal commitment which exceeds the traditional 33% threshold would be welcome, in line with ongoing discussions with the Federation of Canadian Municipalities (FCM).

The City of London has already committed \$125 million towards the capital costs and will pay for all of the ongoing operating and maintenance costs. This is in addition to the investment the City of London will continue to make to support the rest of London's transportation system each year.

The City of London has invested heavily in assessing the economic, social and environmental benefits that Rapid Transit can provide. We have completed the Environmental Assessment and are very close to a completed business case which we believe will demonstrate significant economic returns for the region.

London is ready for Rapid Transit. Significant elements of the Rapid Transit plan can begin as early as 2017 and the project will create quality jobs in London that will pull from across Southwestern Ontario for the next decade. *Shift* truly represents both a “shovel ready” as well as a “shovel worthy” project.

Shift has received wide public support from the London Chamber of Commerce, the London Economic Development Corporation, Western University, Fanshawe College, health care institutions, and many other partners.

If you have any questions, I would welcome an opportunity to speak with you. Should you require further information, please contact Adam Thompson, Manager, Government and External Relations at the City of London at athompson@london.ca or 519-661-2500 ext. 0939.

I appreciate the opportunity to put forward our City's priorities as part of the 2016 pre-Budget submission process. I look forward to partnering with your government to make strategic investments in infrastructure which will build better communities and improve the quality of life for Londoners and those 2.5 million Canadians living in Southwestern Ontario.

Sincerely,

A handwritten signature in black ink, appearing to read 'MAB', with a long horizontal flourish extending to the right.

Mayor Matt Brown
City of London

- cc. The Right Honourable Justin Trudeau, Prime Minister of Canada
The Honourable Bill Morneau, Minister of Finance
The Honourable Amarjeet Sohi, Minister of Infrastructure and Communities
The Honourable Catherine McKenna, Minister of Environment and Climate Change
The Honourable Marc Garneau, Minister of Transport
Ms. Kate Young, Parliamentary Secretary to the Minister of Transport and MP, London West
Mr. Peter Fragiskatos, MP, London North Centre
Ms. Irene Mathyssen, MP, London-Fanshawe
Ms. Karen Vecchio, MP, Elgin-Middlesex-London