

March 27, 2006

The Honourable Lawrence Cannon
Minister of Transportation, Infrastructure and Communities
Transport Canada
Place de Ville
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By e-mail and Fax 613 995-0327

Dear Mr. Cannon,

I write on behalf of the Weston Community Coalition. The Coalition was formed to provide a voice for concerned citizens and community groups who were affected by the air-rail link proposal for Toronto. I wrote to you just after the election, and although I heard back that they were forwarding you the letter, I have not heard anything more.

The project is, in our view, a serious waste of taxpayer money, and in your new role combining infrastructure and communities with transportation, you might like to take a fresh look at the project.

Its genesis was with one of your predecessors, David Collenette. When in 1998 the Eglinton subway line to the airport was cancelled by the Provincial Government, the city asked the Federal Government for help building a subway to the airport, along an existing rail right of way. A study underway (IBI) to determine which lands on airport property to protect for rapid transit was re-mandated to look at the feasibility of a Heathrow-like air-rail link. The study determined it was feasible, but more study of other options was required¹. The minister announced that the study had determined that it was the best option, and proceeded to commission another study (KPMG) to fine-tune the costs and determine if the private sector would take part. The provision of a subway was never considered.

The second study determined that the cost would be \$303 Million (1999 dollars)², but that the private sector could take on this cost, and make money in 0-5 years. The government then pre-qualified four interested consortia through a 'Request for Expressions of Interest' (RFEOI), their interest based on the study showing that even spending \$303 Million they would soon make money, charging \$14 per one-way trip³.

The government then arranged for the 'stakeholders' along the route (CN, GO, the cities of Toronto and Mississauga, Orlando Corporation, Woodbine Racetrack, and the Province) to pre-state their conditions for terms to allow the construction of the air-rail link. The government then published these conditions in a 'request for business case' document and sent it out to the pre-qualified consortia for 'bids'. **This is where it gets odd.** The RFBC document indicated that the consortia would not have to spend \$303 Million as the KPMG study had indicated, but that the government would put in almost all of the infrastructure, supposedly as part of \$1.2 Billion dollars worth of GO transit improvements, and as part of improvements to Pearson Airport⁴. GO Transit has admitted they do not need all the infrastructure being proposed. The consortia's cost would be limited to provision of trainsets (because the plan is for re-using 50 year old BUDD railcars, approx \$20 Million) outfitting lounges at either end, and construction of approximately 3 km of new mainline track along mostly government land (approx \$10 Million). **Again oddly**, despite the

¹ IBI report conclusions pp 53, 54

² KPMG study, pp 50-55

³ RFEOI p 7

⁴ RFBC p 20.

dramatic lowering of the private sector cost, only one consortia 'bid' on the project, SNC Lavalin and partners⁵. The results of the 'selection' process stated that it was a basis for further discussion and analysis⁶, but the minister announced that SNC Lavalin and partners had been chosen, and were being given exclusive rights to enter into the pre-stated contracts with the other stakeholders.

The public in Weston became aware of the project through the announcement of the environmental assessment in December of 2004. Initially, the public had been told this was entirely private sector money. David Collenette, in his speech to the press announcing the project, declared that not one nickel of public money would go into the air-rail link. It wasn't until much later when documents were released through freedom of information requests, that we discovered just how much public money was going into this. Meanwhile the citizens of Weston became enraged when they learned of the plan to divide the community by closing all the roads crossing this rail line. Weston as a business, cultural, and heritage hub since 1850 would be sacrificed for this plan. In addition, we were somewhat suspicious of a conflict of interest when we learned that GO Transit had hired SNC Lavalin as its consultant on the EA process.

Three thousand residents showed up for an environmental assessment meeting. As a result of that pressure, GO Transit agreed to 'bump up' the EA to a full EA, at the provincial level. SNC Lavalin withdrew as consultant. We have asked, and our MP has asked, your predecessor to 'bump up' at the federal level, but have not had a reply. The effect of a federal 'bump up' is that participant funding will be available for our coalition. We are afraid that the deep pockets of GO Transit and SNC Lavalin will completely overwhelm our ability to fairly participate in the EA process. For what it's worth, our Provincial MPP, Joe Cordiano, has publicly stated his opposition to this plan, but has advised us that the only way to kill it is through the EA process. In my view that is making a mockery of the EA process, but that's the province we live in.

Since that meeting, GO Transit has hired another consultant, but the process has not yet started. The city has re-stated its request for a subway to the airport. The Coalition has proposed (and will be proposing in the EA process) that this project become a subway line, which makes much more sense. The Air-Rail link is deliberately designed to attract primarily business travellers to Toronto who would pay \$20 one-way (not the \$14 determined as appropriate by KPMG). It will be out of reach of ordinary Torontonians or Airport employees. The North-West quadrant of Toronto has no rapid transit at all, and is, by all accounts one of the poorest, most crime ridden, sections in the city. To build an elite, private railroad through poor folks' back yards while denying them access is quite arrogant.

The mayor of Toronto has stated his support for this line. However, he is wrongly under the impression that this is a Federal project and that no city money is involved. He is also clearly supportive of senior levels of government assisting in public transit projects. If this line were refashioned as a subway rather than a diesel air-rail-link, I'm sure he would be supportive, provided someone else is paying.

We believe that subways are the answer to urban congestion, and that using existing railroad rights of way, going underground only through residential corridors is the cheapest solution possible. A subway along this corridor, serving half a million residents, would cost just half what the Sheppard line did, on a per-meter basis. The Weston Corridor is slated by the city for intensification. One of the caveats put on new subway building by the TTC is that denser development must be a part of any subway line.

There are several subway options being discussed by politicians at any time. Eglinton, York University, Scarborough, and now Weston. If one or more of them are to be built, the city should undertake the same kind of cost-benefit analyses which are done by New York City to determine

⁵ Fairness Commissioner Report on RFBC selection process, p 7

⁶ Ibid p 10

which one gets built first. Those studies look at both the benefits of reductions in travel time for productivity of the workforce, and the economic spin-offs of urban development which follow subway lines. The Second Avenue proposal in New York has over 800% return on investment. We in Canada have never done such a study. It always appears to ordinary citizenry as though politics determines which areas get subways, not something as transparent as cost-benefit.

To summarize, we would ask the following:

1. That your departments re-think the proposal for the air-rail link and re-assess whether this is a wise use of taxpayer resources.
2. That if this project is to go forward, your ministry allow for the Environmental Assessment process to be at a sufficient level to permit participant funding for interested parties.
3. That your department, as part of your newly expanded mandate, devote serious attention to the capital cost problems facing large cities to provide clearly necessary rapid transit alternatives. In so doing, if federal money for transit infrastructure can be found, help large cities develop transparent mechanisms for determining the placement and order of such alternatives, such as cost-benefit analyses.

Thank you for your attention to our concerns. I would be delighted to meet with you or members of your staff to discuss this matter further.

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