

David M. Sanders, MA LLB

March 6, 2013

His Worship Mayor Sam Katz
and Members of Executive Policy Committee
The City of Winnipeg
510 Main Street
Winnipeg, MB

Dear Mayor Katz and Members of EPC:

Re: **Standing Policy Committee on Infrastructure Renewal and Public Works**
Item No. 1 Transportation Master Plan Amendment – Southwest Rapid Transit Corridor
Stage 2 Alignment

I am appearing this morning to **oppose** the IRPW Committee's recommendation with respect to the amendment of the Transportation Master Plan – specifically, the proposed amendments to Map 5 and paragraph 4 on page 54, which are intended to select the South West Rapid Transit Corridor Stage 2 alignment option "passing through the Parker Lands and the Manitoba Hydro Corridor" as the "preferred alignment."

I am appearing today as a private citizen. I now reside at Lindenholtm Place at 885 Wilkes Avenue, between Waverley and the start of the Sterling Lyon Parkway, and I frequently use the Parker Avenue route to and from Pembina Highway whenever the Waverley railway grade crossing is closed for train traffic.

I have been following this issue for almost half a century, since the Metropolitan Winnipeg Area Transportation Study (WATS) was published in 1966-68, while I served as Metro Council and City Hall reporter for *The Winnipeg Tribune*, and since the Winnipeg Railway Study was published in 1972, when I began working for the Provincial Department of Urban Affairs. I served as Deputy Minister of Urban Affairs during the late 70's and early 80's.

I did attend the SRTC consultants' open house last September, and I was one of the **majority** of citizens who indicated a preference for the CNR Letellier subdivision alignment, as originally planned. I have read the Final Report of the Southwest Rapid Transit Corridor Stage 2 Alignment Study, and I do **not** believe this report supports a decision to divert the Transit Corridor west of Pembina Highway.

The Administrative Report to the IRPW Committee gave the following reasons for selecting Alignment Option 1B:

Operational: This highly weighted criterion was defined as "operating speed." Any transit rider, and any competent transit planner, knows that the key criterion is total travel time, not speed. And the report states that **the travel time is the same** for both the Parker Lands and the more direct Letellier Subdivision route. It is outrageous to give the Parker Lands options twice the value assigned to the equally effective Letellier option.

Implementation: The Report suggests that implementation of the Parker Lands option will be simpler and easier, to the extent that it runs through undeveloped lands.

Environmental: The Letellier option was given the highest possible rating, but for some inexplicable but historically common reasons, the engineers give environmental considerations the lowest weight of all the criteria. Those are not my values, and I very much doubt that most Winnipeggers would agree that environmental considerations should be last and least on the list. Our green spaces and gardens are the lungs of our City, and preserving them should be a high priority. Since the Parker Lands route has only negative effects on environmental considerations, I wonder how the engineers can justify giving it a moderately positive rating.

Ridership and Community Impacts: The Report admits that The Letellier route alongside Pembina Highway rated relatively well in terms of Ridership and Community Impacts (4) due to the fact that it would provide direct transit benefit for residents and businesses along Pembina Highway and allow for the densification and redevelopment of the underutilized lands along Pembina Highway. However, the Report states, **incorrectly**, that the Parker Lands route rated higher (3) than Alignment 2 due to the ability to attract more ridership from future TOD development in the Parker Lands and other adjacent lands, as well as the potential for improved route connectivity to Lindenwoods and new commercial development near Kenaston and Sterling Lyon. The suggested ridership from new developments in the Parker Lands and under the Manitoba Hydro high voltage lines is entirely speculative, and the suggested future improved but undefined "connectivity" to the Lindenwoods residential area and the Kenaston/Sterling Lyon commercial developments is neither necessary nor a stated objective of the Southwest Corridor. As far as I know, there has never been any public consultation with respect to the implied future extension of a BRT corridor along Wilkes and the Sterling Lyon Parkway.

Indeed, the fundamental reason for building the Southwest Rapid Transit Corridor has always been to increase transit ridership relative to automobile ridership, especially between the downtown and Manitoba's third largest city, the University of Manitoba. If successful in meeting that objective, the primary benefit would be the avoidance of the otherwise substantial costs of widening Pembina Highway to accommodate the growing automobile traffic. The modal split criterion (transit versus automobile ridership) should have been given high weighting, and the Parker Lands route should have been given a low rating, since it will be unlikely to provide any incremental improvement in the modal split along Pembina Highway.

Land Acquisition Costs: The Parker Lands option is given a much higher rating and a high weighted value, because the costs are anticipated to be much less than for the Letellier route. It is assumed that the Manitoba Hydro Lands will be made available for \$1, despite the advice that such a price has not yet been negotiated, with either Manitoba Hydro or the commercial lessees of some of its land, and despite the many potential problems identified by Manitoba Hydro during the preliminary discussions to date.

TOD and TIF Potential: The Parker Lands Route 1B is given the highest rating, notwithstanding the entirely speculative potential for development on the undeveloped lands, and the probability that any development contemplated in the Parker Lands and the Manitoba Hydro Lands would otherwise occur at other residential and commercial sites in the City of Winnipeg. Any Tax Increment Financing, which would redirect the incremental municipal and school taxes on the designated developments to help pay for the Transit Corridor, would simply deprive the City and schools divisions of the revenue they might otherwise receive for up to 25 years.

Capital Costs: This factor is treated in a truly bizarre fashion. The Report indicates that the costs quoted are preliminary only and are "Class D" estimates (+/- 25%)." Plus or minus 25%. Any competent economic analyst knows that when the base costs range between \$291,700,000 for Alignment 1B and \$312,900,000 for the Letellier route, the difference of \$21,200,000 or 7% is well within the margin of error of +/- 25%. The only valid conclusion is that **these cost estimates are not a basis for choosing between the options.**

But consider this. When you add in the estimated costs of the so-called "build-out opportunities," which are the required grade separations for the Parker Lands route, the total capital cost for Option 1B rises to \$332,700,000, some \$14,100,000 or 5% **more** than the total capital cost of the Letellier route. That is why the report actually gives a **higher Capital Cost rating to the lower cost Letellier route.**

Future Build-Out Opportunities: Having already incorporated the higher costs of grade separations in the above Capital Cost evaluation, the Report then makes an additional, separate, and truly perverse rating of the Parker Land route grade separation costs as very highly rated benefits, instead of the costs that they really are. **This separate criterion should be thrown out entirely.**

Public Consultation: The report properly weights the public response highly, and gives the highest rating to the Letellier option chosen by the majority of the respondents. The Report notes that the Letellier option would better serve existing riders in existing built-up areas along Pembina Highway, whereas Alignment 1 would better serve future riders in future developments in the Parker Lands and adjacent to the Manitoba Hydro transmission corridor.

The Report suggests that Stage 2 of the Southwest Corridor will facilitate development of five of the City's designated Major Redevelopment Areas: the Fort Rouge Yards, the Taylor Lands, the Parker Lands, the Sugar Beet Lands, and the Old Southwood Golf Course. Three of those areas, the Fort Rouge Yards, the Sugar Beet Lands, and the Southwood Golf Course will be served by Stage 2 in any case. Only the Parker Lands and the Taylor Lands are potentially benefited by the Parker Lands Option 1B, although apparently the owners of both sites are indifferent (GEM Equities), or prefer the Letellier Option (Shindico).

Given the subject matter and scope of the current Real Estate Management Audit being conducted on behalf of the City Auditor at Council's request, I should think that Council would be wise to await the results of that audit before making any further decisions affecting the value of the development sites in question.

Summary:

In my opinion, the Stage 2 Alignment Study Report actually provides strong support for the adoption of the original route, Alignment 2, the Letellier Subdivision route alongside Pembina Highway,

There are a great many questionable assumptions in this Report, and significant flaws in the analysis. As pointed out by Councillor John Orlikow, the IRPW Committee's recommendation even fails to mention Option 1B, using wording which would leave both Options 1A and 1B open for the next stage of study.

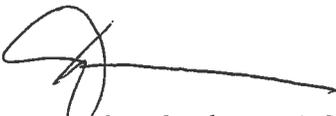
The City Councillors whose wards encompass the potential SWRTC routes, Councillor Orlikow and Councillor Swandel, have both asked that the alignment decision be deferred to allow for further analysis and consultation. It would be highly unusual if Council proceeds with this decision over the objections of the elected representatives of the affected communities.

So what is the rush? Is there some funding deadline which requires a decision now? It is certainly too late to submit a final Business Case Report to PPP Canada Inc. by March 22, 2013.

If there is some other deadline, there is still no good reason for rejecting the Letellier Subdivision route at this time. The consulting engineers are accustomed to developing alternative plans and designs, and if the City Council does not reject the Parker Lands Options now, then both Options 1B and 2 should remain under consideration during the next phase, the functional design study.

Thank you for your attention to this matter.

Yours truly,

A handwritten signature in black ink, consisting of a large, stylized initial 'D' followed by a long horizontal stroke that tapers to the right.

David M. Sanders, MA, LLB