Agenda – Executive Policy Committee – April 21, 2021

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 20, 2021

Moved by Councillor

That Rule 10(3) of The Procedure By-law No. 50/2007 be suspended in order that the following item, which was received less than four business days preceding the committee meeting, be considered by Committee.

Item No. 1 Winnipeg Transit Master Plan and Transit's Investing in Canada's Infrastructure Program (ICIP) Plan

STANDING COMMITTEE RECOMMENDATION:

On April 20, 2021, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service, as amended, and submitted the following to Council:

1. That in order to outline a 25-year vision and plan for the future of transit service in Winnipeg, and the infrastructure needed to implement that vision, the Winnipeg Transit Master Plan (attached as Appendix 1) be adopted as the long-range strategic plan for public transit in the City of Winnipeg.

2. That the list of heated shelters attached in Appendix 6 be accepted as information.

3. That the Public Service be directed to submit the following projects to the ICIP program for Federal and Provincial contribution funding under the Public Transit Infrastructure Stream (PTIS) and that Council approve the projects subject to final written confirmation of federal and provincial funding satisfactory to the Chief Financial Officer:

    A. Radio and Intelligent Transportation System Replacement ($17.279 million)
    B. North Garage Replacement - $200.066 million
    C. Transition to Zero Emission Buses- $280.391 million
    D. Rapid Transit (Downtown Corridors) Preliminary Design- $7.0 million
    E. Primary Transit Network Infrastructure- $20.4 million
    F. Wheelchair Securements Retro-fit -$13.750 million

4. That subject to written confirmation of federal and provincial funding that is satisfactory to the Chief Financial Officer, the Public Service amend the 2021 Adopted Capital Budget and 2022 to 2026 Five-Year Forecast in order to maximize potential cost sharing opportunities under the Investing in Canada Infrastructure Program as per Appendix 8.

5. That additional borrowing authority in the amount of $69,521,000 be approved to supplement the City's portion of the project costs.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 20, 2021

STANDING COMMITTEE RECOMMENDATION (continued):

6. That effective January 1, 2024 the Transit Infrastructure Reserve be created for the purpose of providing funding for the annual debt and financing costs resulting from borrowing for the North Garage Replacement project and that the funding source for this reserve be an annual 0.33% property tax increase for the years 2024 and 2025.

7. That effective January 1, 2024 the funding source for the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve be changed from 10 years of dedicated annual .33% property tax increase (2016-2025) to 8 years of dedicated annual .33% property tax increase for the years 2016-2023.

8. That additional operating and capital budget impacts be referred to the 2022 Budget Review Process.

9. That subject to fulfillment of the conditions set forth in Recommendation 3, the City enter into, execute, and deliver funding agreements with the Government of Canada and the Province of Manitoba that sets out the terms and conditions of federal and provincial funding for the projects detailed in this report, and that authority be delegated to the Chief Financial Officer to negotiate and approve terms and conditions of such funding agreements in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interest of the City, and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing.

10. That the Public Service confirm with the Federal Government that once the City applications for ICIP funding are made to the Provincial government, the Federal government will accept Winnipeg's applications as qualifying for consideration under the Federal ICIP program.

11. That the City Solicitor / Director of Legal Services be requested to submit the necessary borrowing by-law directly to Council.

12. That as the Winnipeg Public Service develops a detailed implementation plan for transitioning to the Short-Term Network shown in Appendix 2, priority be given to neighbourhoods that are not currently serviced by Winnipeg Transit, where possible, while maintaining a service-hour neutral implementation.

13. That the Winnipeg Public Service be directed to:

    A. Report back to the Standing Committee within 365 days on the following:

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 20, 2021

STANDING COMMITTEE RECOMMENDATION (continued):

i. The proposed simplified fare structure as set out in Section 8.3 of the Winnipeg Transit Master Plan; and

ii. A plan to reduce the cash transit fare by approximately $0.25 cents annually, beginning January 1, 2023, until such time as the cash fare is $1.00, and include an analysis of the effect on revenues, capital and operating costs, and ridership.

B. Provide quarterly verbal updates to the Standing Committee on Recommendation 13.A. beginning in June, 2021.

14. That, as part of the preparation of a detailed implementation plan for the proposed unapproved Short-Term Network Plan shown in Appendix 2, the Winnipeg Public Service be directed to consult with area residents, including residents directly affected by route changes, before bringing the implementation plan to Council for approval.

15. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 20, 2021

DECISION MAKING HISTORY:

STANDING COMMITTEE RECOMMENDATION:

On April 20, 2021, the Standing Policy Committee on Infrastructure Renewal and Public Works concurred in the recommendation of the Winnipeg Public Service, with the following amendments:

- Add the following new Recommendations and renumber the remaining accordingly:

    "12. That as the Winnipeg Public Service develops a detailed implementation plan for transitioning to the Short-Term Network shown in Appendix 2, priority be given to neighbourhoods that are not currently serviced by Winnipeg Transit, where possible, while maintaining a service-hour neutral implementation.

    13. That the Winnipeg Public Service be directed to:

        A. Report back to the Standing Committee within 365 days on the following:

            i. The proposed simplified fare structure as set out in Section 8.3 of the Winnipeg Transit Master Plan; and

            ii. A plan to reduce the cash transit fare by approximately $0.25 cents annually, beginning January 1, 2023, until such time as the cash fare is $1.00, and include an analysis of the effect on revenues, capital and operating costs, and ridership.

        B. Provide quarterly verbal updates to the Standing Committee on Recommendation 13.A. beginning in June, 2021.

    14. That, as part of the preparation of a detailed implementation plan for the proposed unapproved Short-Term Network Plan shown in Appendix 2, the Winnipeg Public Service be directed to consult with area residents, including residents directly affected by route changes, before bringing the implementation plan to Council for approval."

and submitted the matter to the Executive Policy Committee and Council.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 20, 2021

DECISION MAKING HISTORY (continued):

STANDING COMMITTEE RECOMMENDATION (continued):

The following persons submitted communications:

- Steve Snyder, submitted a communication in support of the matter
- Matthew Pawluk, submitted a communication dated April 12, 2021 in support of the matter
- Emma Durand-Wood submitted a communication in support of the matter
- Mark Cohoe, Executive Director, Bike Winnipeg, submitted a communication dated April 16, 2021 in support of the matter
- Paul McNeil and Jim Shaw, submitted a communication dated April 16, 2021
- David Grant submitted a communication
- Derek Koop, President, Functional Transit Winnipeg, submitted a presentation titled Functional Transit Winnipeg with respect to the matter
- Kelly Ryback submitted a communication with respect to the matter
- Jesse Turner, Accessibility Advisor, The University of Winnipeg, submitted a communication with respect to the matter

On March 11, 2021, the Standing Policy Committee on Infrastructure Renewal and Public Works laid the matter over to its meeting on April 16, 2021.

Curtis Hull, Project Director, Climate Change Connection, submitted a communication dated March 10, 2021, in support of the matter.

COUNCIL DECISION:

On May 29, 2020, Council concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and adopted the following:

1. That an extension of time to March 31, 2021 be granted for the Winnipeg Public Service to report back to Council on the Final Service & Infrastructure Plan and Final Rapid Transit Master Plan.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the forgoing.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 20, 2021

DECISION MAKING HISTORY (continued):

EXECUTIVE POLICY COMMITTEE RECOMMENDATION:

On May 22, 2020, the Executive Policy Committee concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and submitted the matter to Council.

STANDING COMMITTEE RECOMMENDATION:

On May 19, 2020, the Standing Policy Committee on Infrastructure Renewal and Public Works submitted the following to the Executive Policy Committee and Council:

1. That an extension of time to March 31, 2021 be granted for the Winnipeg Public Service to report back to Council on the Final Service & Infrastructure Plan and Final Rapid Transit Master Plan.

2. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the forgoing.

COUNCIL DECISION:

On July 18, 2019, Council concurred in the recommendation of the Standing Policy Committee on Infrastructure Renewal and Public Works and adopted the following:

1. That the Public Service provide updates to Council through the Public and Stakeholder Engagement Process in Fall 2019, before the completion of the Draft Service & Infrastructure Plan and Draft Rapid Transit Master Plan.

2. That the Public Service provide updates to Council through the Public and Stakeholder Engagement Process in January 2020, before the completion of the Final Service & Infrastructure Plan and Final Rapid Transit Master Plan.

Report – Standing Policy Committee on Infrastructure Renewal and Public Works – April 20, 2021

DECISION MAKING HISTORY (continued):

COUNCIL DECISION (continued):

3. That the updated project milestones for the consultant to report back to the Public Service be approved as follows:

Draft Service & Infrastructure Plan:	October 31, 2019
Draft Rapid Transit Master Plan:	December 31, 2019
Final Service & Infrastructure Plan:	January 31, 2020
Final Rapid Transit Master Plan:	February 28, 2020

4. That the Public Service report back to Council on the Final Service & Infrastructure Plan and Final Rapid Transit Master Plan no later than June 2020.

5. That the Proper Officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

On March 20, 2019, Council concurred in the recommendation of the Executive Policy Committee and adopted the following:

CAPITAL BUDGET RECOMMENDATIONS

2. F. That Transit Department be directed to report back to the appropriate committee of Council with a funding strategy and implementation plan for additional heated bus shelters concurrent with the result of Transit's Master Plan.

ADMINISTRATIVE REPORT

Title: Winnipeg Transit Master Plan and Transit's Investing in Canada's Infrastructure Program (ICIP) Plan

Critical Path: Standing Policy Committee on Infrastructure Renewal and Public Works – Executive Policy Committee – Council

AUTHORIZATION

Authors	Department Head	CFO	CAO
B. Radstrom K. Sturgeon S. Payne L. Fisher	G. Ewankiw	C. Kloepfer, CFO	M. Ruta, Interim CAO

EXECUTIVE SUMMARY

The Winnipeg Transit Master Plan (WTMP) presents a vision for transit service and infrastructure in Winnipeg for the next 25 years.

The WTMP proposes an entirely new transit network that better responds to the needs of the citizens of Winnipeg, a system that is designed to be resilient, changing and adapting as the city grows. The new network is based on a frequent transit network concept, adapted to fit Winnipeg. The new network introduces a service classification system based on a proposed Primary Transit Network and Feeder Network, and more than doubles the number of Winnipeg households that will be within a short walk of frequent transit service.

The WTMP proposes changes to Winnipeg Transit Plus to create a more seamless, integrated, and universally accessible network using a model known as Family of Services that better integrates conventional transit service with On-Request service and Winnipeg Transit Plus.

Rapid Transit infrastructure expansion is proposed as the core of the system. The proposed Rapid Transit network is comprised of six rapid transit corridors linked together to form three Rapid Transit lines that extend throughout the city. The first priority for Rapid Transit is the downtown infrastructure, including an elevated transitway through downtown that would establish Union Station as the city's flagship mobility hub.

Transit's Investing in Canada's Infrastructure Program (ICIP) Plan – Public Transit Infrastructure Stream

In alignment with the WTMP this report recommends Council approve the following six capital projects for application to the Investing in Canada Infrastructure Program (ICIP) and that

Council approve the projects subject to final written confirmation of federal and provincial funding approval:

- Radio and Intelligent Transportation System Replacement ($17.279 million)
- North Garage Replacement ($200.066 million)
- Transition to Zero Emission Buses ($280.391 million)
- Rapid Transit (Downtown Corridors) Preliminary Design ($7.0 million)
- Primary Transit Network Infrastructure ($20.4 million)
- Wheelchair Securements Retro-fit ($13.750 million)

The ICIP program represents Winnipeg's best opportunity to fund key Transit projects that are aligned with the WTMP.

The total cost for the six projects is estimated at $538.886 million. To fully fund the City's portion (31%) under the ICIP program, additional funding / debt of $69.521 million would be required.

This report recommends funding the debt and finance costs for the North Garage Replacement project, which includes the majority of the new debt amounts, through a new reserve. The reserve, named the Transit Infrastructure Reserve, would be funded by repurposing 2 of the total 10 years of 0.33% property tax increases that were originally approved for the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve. The sole purpose of this new reserve is to provide funding for the debt and finance costs for the replacement of the North Garage. The debt and finance costs for the balance of the new debt will be funded through the operating budget.

This recommendation does not change the original 10 year term commitment of .33% property tax increases approved for the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve, but rather changes the allocation to be 8 years allocated to the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve (2016-2023) and reallocate the subsequent 2 years to the new Transit Infrastructure reserve for 2024-2025.

RECOMMENDATIONS

1. That in order to outline a 25-year vision and plan for the future of transit service in Winnipeg, and the infrastructure needed to implement that vision, the Winnipeg Transit Master Plan (attached as Appendix 1) be adopted as the long-range strategic plan for public transit in the City of Winnipeg.

2. That the list of heated shelters attached in Appendix 6 be accepted as information.

3. That the Public Service be directed to submit the following projects to the ICIP program for Federal and Provincial contribution funding under the Public Transit Infrastructure Stream (PTIS) and that Council approve the projects subject to final written confirmation of federal and provincial funding satisfactory to the Chief Financial Officer:
    i. Radio and Intelligent Transportation System Replacement ($17.279 million)
    ii. North Garage Replacement - $200.066 million
    iii. Transition to Zero Emission Buses- $280.391 million
    iv. Rapid Transit (Downtown Corridors) Preliminary Design- $7.0 million
    v. Primary Transit Network Infrastructure- $20.4 million
    vi. Wheelchair Securements Retro-fit -$13.750 million

4. That subject to written confirmation of federal and provincial funding that is satisfactory to the Chief Financial Officer, the Public Service amend the 2021 Adopted Capital Budget and 2022 to 2026 Five-Year Forecast in order to maximize potential cost sharing opportunities under the Investing in Canada Infrastructure Program as per Appendix 8.

5. That additional borrowing authority in the amount of $69,521,000 be approved to supplement the City's portion of the project costs.

6. That effective January 1, 2024 the Transit Infrastructure Reserve be created for the purpose of providing funding for the annual debt and financing costs resulting from borrowing for the North Garage Replacement project and that the funding source for this reserve be an annual 0.33% property tax increase for the years 2024 and 2025.

7. That effective January 1, 2024 the funding source for the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve be changed from 10 years of dedicated annual .33% property tax increase (2016-2025) to 8 years of dedicated annual .33% property tax increase for the years 2016-2023.

8. That additional operating and capital budget impacts be referred to the 2022 Budget process.

9. That subject to fulfillment of the conditions set forth in Recommendation 3, the City enter into, execute, and deliver funding agreements with the Government of Canada and the Province of Manitoba that sets out the terms and conditions of federal and provincial funding for the projects detailed in this report, and that authority be delegated to the Chief Financial Officer to negotiate and approve terms and conditions of such funding agreements in accordance with this report and such other terms and conditions deemed necessary by the City Solicitor / Director of Legal Services to protect the interest of the City, and such other agreements as determined necessary by the City Solicitor / Director of Legal Services to implement the intent of the foregoing.

10. That the Public Service confirm with the Federal Government that once the City applications for ICIP funding are made to the Provincial government, the Federal government will accept Winnipeg's applications as qualifying for consideration under the Federal ICIP program.

11. That the City Solicitor / Director of Legal Services be requested to submit the necessary borrowing by-law directly to Council.

12. That the proper officers of the City be authorized to do all things necessary to implement the intent of the foregoing.

REASON FOR THE REPORT

Long-range strategy documents require the approval of Council. See Appendix 12 for a history of Council dispositions.

IMPLICATIONS OF THE RECOMMENDATIONS

The WTMP will become the long-range strategic plan for public transit in the City of Winnipeg and the guiding document on which future transit plans are based.

The 2021 Capital Budget and 2022 – 2026 Forecast will be amended to establish the following projects as included in Appendix 8:

i. Radio & ITS Replacement
ii. North Garage Replacement
iii. Transition to Zero Emission Buses
iv. Rapid Transit (Downtown Corridors) Preliminary Design
v. Primary Transit Network Infrastructure
vi. Wheelchair Securements Retro-fit

The Public Service will submit the following projects for application under the Public Transit Infrastructure Stream of the Investing in Canada Infrastructure Program:

i. Radio & ITS Replacement
ii. North Garage Replacement
iii. Transition to Zero Emission Buses
iv. Rapid Transit (Downtown Corridors) Preliminary Design
v. Primary Transit Network Infrastructure
vi. Wheelchair Securements Retro-fit

To provide a funding source for the majority of the financing payments associated with the additional long-term debt required to deliver these projects, Transit is recommending creating a new Transit Infrastructure Reserve with the sole purpose being to provide funding for the debt and finance costs for the replacement of the North Garage. In the absence of gaining this approval, the debt and financing costs would need to be funded through Transit's operating budget.

Economic Impact Analysis (EIA)

The estimated direct and indirect economic impact of this expenditure is:

Economic Impact	Manitoba	Rest of Canada
Gross Domestic Product (GDP)	$80.6 million	$28.3 million
Person Years of Employment	883	240
Federal Government Tax Revenue	$10.0 million	$3.1 million
Provincial Government Tax Revenue	$10.3 million	N/A

Source: Statistics Canada. Table 36-10-0594-01 Input-output multipliers, detail level. Note that the 2017 GDP at basic prices simple multipliers for non-residential building construction [BS23B000], transportation engineering construction [BS23C100], architectural, engineering and related services [BS541300] and other municipal government services [GS913000] were used to assess these investments. Federal and provincial government tax revenue estimates include GST, MRST, personal income taxes, corporate income taxes and other sources of taxes and fees. These are estimated using the multipliers noted above in conjunction with effective tax rates calculated from the economic accounts produced by Statistics Canada.Note: The Economic Impact Analysis does not include the Transition to Zero Emission Buses due to the uncertainty with vehicle type and manufacturer.

HISTORY/DISCUSSION

History

Winnipeg Transit has been planning a Strategic Service Plan since 2018/2019 in order to lay out its intended strategy for service, growth, and infrastructure for the next 25 years.

As part of the approved 2017 Capital Budget, Winnipeg Transit also began the development of a Rapid Transit Master Plan in 2018/2019.

As there was substantial overlap between the planning, analysis, and public engagement work required to create a Rapid Transit Master Plan, and the work required to create a Strategic Service Plan, Council approved combining the two proposed projects into the single WTMP in 2018.

The Need for the Winnipeg Transit Master Plan

The WTMP lays out a vision for transit service in Winnipeg for the next 25 years. It proposes a redesign of the transit route network, along with the Rapid Transit and other infrastructure needed to make the new network safe, convenient, efficient, flexible, and universally accessible. This plan also proposes changes to the Winnipeg Transit Plus service delivery model, integrating paratransit service with the conventional Winnipeg Transit network in a new “Family of Services” model, improving access, reliability, and flexibility for customers.

OurWinnipeg is the City of Winnipeg’s development plan, which outlines how and where the city will develop in an environmentally resilient, economically prosperous, socially equitable, and healthy way for the next 25 years. OurWinnipeg was approved by Council in 2010 and subsequently by the Province of Manitoba in 2011. The WTMP is a subsidiary plan under OurWinnipeg.

When the process of creating the WTMP began in 2018, the project was structured in a way to align with the approved OurWinnipeg plan, and also to proceed in tandem with its update - OurWinnipeg 2045, being led by the Planning, Property, and Development Department, along with its subsidiary land use planning document, the Complete Communities 2.0 Direction Strategy.

Prior to this report, both the OurWinnipeg 2045 Plan and the Complete Communities 2.0 Direction Strategy (CCDS) received first reading at Council on January 28, 2021. Significant collaborative work was done across City departments to ensure that there was alignment between the WTMP’s proposals for service, infrastructure, and rapid transit, and the proposed policies and plans outlined in OurWinnipeg 2045 and CCDS 2.0.

The Transportation Master Plan (TMP), approved by Council in 2011, is another subsidiary plan of OurWinnipeg. The 2011 TMP established the foundational concept for rapid transit infrastructure expansion and defined the “Quality Corridor” typology for certain major streets. The transit-related focus in the 2011 TMP was primarily on infrastructure.

The WTMP builds on the foundation provided by the 2011 TMP, and incorporates a vision for transformative changes to transit service, along with the infrastructure needed to enable safe, convenient, and universally accessible service. The WTMP revisited the rapid transit network plan, as well as the Key Strategic Goals and Key Directions. Several updates and changes were made to reflect changing development patterns in the city, changing public expectations, new ideas, as well as input from Council-approved directions and plans approved since then.

The Public Works Department is currently undertaking an update to the Transportation Master Plan. The vision of Transportation Master Plan: 2050 is to ensure the transportation system supports quality of life and economic vitality through the safe, efficient, connected and barrier-free movement of people and goods using a choice of modes and sustainable infrastructure. By working collaboratively, the Public Works and Transit Departments have ensured that the proposals of the WTMP are aligned with the goals and the work-to-date of the ongoing Transportation Master Plan: 2050.

The Winnipeg Climate Change Action Plan, approved by Council in 2018, outlines overall goals for the City of Winnipeg to reduce greenhouse gas emissions. Key among these is the goal that 15% of all trips within Winnipeg would be made by public transit by 2030. This would be a substantial increase from the estimate of 7-8% in 2011 by the Transportation Association of Canada in its fifth Urban Transportation Indicators report. This shift away from private vehicle travel toward more sustainable modes will be an extremely challenging goal that can only be met through a bold and innovative plan.

The result is the attached Winnipeg Transit Master Plan, which outlines the vision, goals, and objectives for Winnipeg Transit for the next 25 years.

The Need for a New Transit Route Network

Prior to the coronavirus pandemic, Winnipeg Transit faced challenges on numerous fronts. At peak times, buses were very crowded, schedule adherence was often poor, and pass-ups were common.

As work began on the WTMP in early 2019, it was clear that the structure of the transit route network itself was at the root of many issues, and that further optimization and priority measures within the existing network would only yield limited improvements. Although some issues have subsided due to lower passenger volumes and traffic levels during the coronavirus pandemic, it is expected that these issues would re-emerge once the pandemic begins to subside, if the transit network doesn’t adapt. The pandemic has also demonstrated the need to shift to a transit network that supports trips to and from every part of Winnipeg, all day every day, in a way that is affordable and more resilient to unexpected changes.

Winnipeg Transit Plus had been facing its own challenges. Growing demand for service, an aging population, and changes to accessibility legislation, have all combined to create a need to change the way this service is delivered to align with the social equity goals established through OurWinnipeg.

Public and Stakeholder Engagement

A comprehensive public engagement program was carried out in three phases, with each phase seeking specific input from citizens and other stakeholders. Feedback from the public engagement phases was used to develop and refine the proposals in the WTMP. Support for the plan was generally very high, with 75% of respondents indicating they either strongly supported or somewhat supported the proposed new transit network.

Summary reports on all three phases of public and stakeholder engagement are attached as Appendix 5. Information booklets provided during Phase Two and Phase Three of public engagement are also included in Appendix 5.

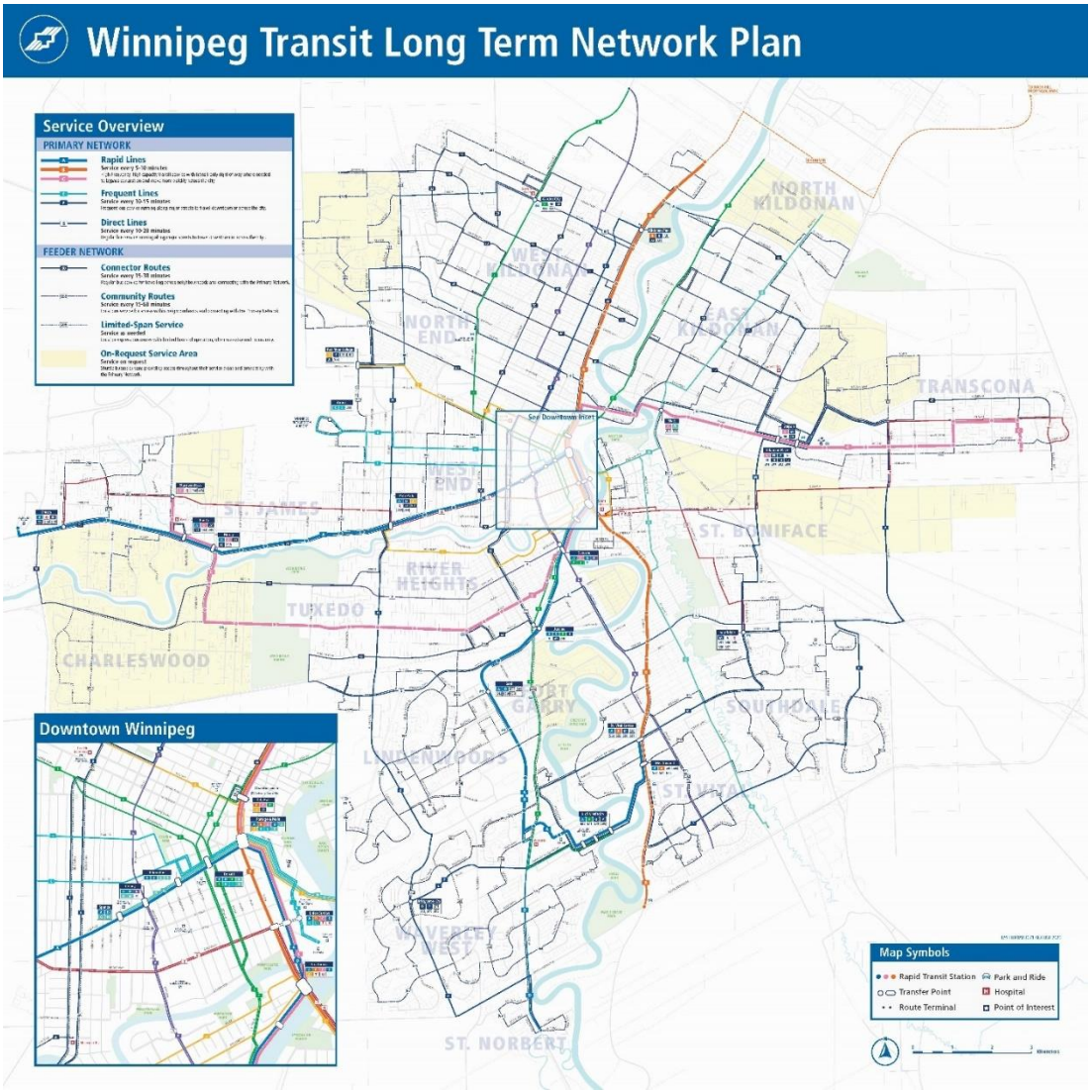
Developing the New Transit Network

The roll-out of the WTMP project began with some simple questions for Winnipeggers: What is working for you? What isn't working for you? What are your ideas to improve our transit system?

The feedback received informed the design of a new route network based on the core principles of frequency, simplicity, and reliability. What we heard was that the existing route network was too complex, not frequent enough, too focused on Downtown, and didn't offer enough options for travel within and between neighbourhoods.

An examination of travel patterns was created by using anonymized cell phone data purchased from an analytics company. This data was overlaid on maps of existing transit service and patronage. A new route network was drawn based on the observed travel patterns, so that transit routes would reflect where people not only said they wanted to go, but where their actual travel patterns showed them going, whether by transit or other modes.

From this work, a new route network was created. A Primary Transit Network was drawn along major corridors, as these will be the routes that large numbers of people will use to travel longer distances quickly. A feeder route network was then drawn to connect neighbourhoods and other destinations to the Primary Transit Network.



A higher resolution version of the network plan shown above is attached as Appendix 3.

A short-term transit network plan was also developed (attached as Appendix 2), which will continue to be refined as Winnipeg Transit progresses towards implementation.

The new route network is designed to be fully integrated with Winnipeg Transit Plus, using an approach called Family of Services that is intended to allow for Winnipeg Transit Plus users to seamlessly transfer from Winnipeg Transit Plus to routes on the Primary and Feeder Networks, and back again, as their abilities allow.

A key component of the WTMP is the planning and prioritization of the Rapid Transit network. An approach of “service before infrastructure” was taken. Designing the new route network was the first step in planning the Rapid Transit network, as it allowed the project team to then determine which lines in the Primary Transit Network would need Rapid Transit infrastructure, and when they would need it.

Rapid Transit

Overview

Six Rapid Transit corridors are identified for the 25-year horizon of this plan, including the existing Southwest Transitway. An additional two corridors are identified for future consideration, beyond 25 years. The WTMP distinguishes between “priority infrastructure” and “fully separated infrastructure”, also known as transitways.

Each of the six proposed corridors will be paired with another corridor with through-running service, reducing transfers and service overlap within downtown. These pairings create three Rapid Transit Lines: Blue, Orange, and Rose. Network maps and diagrams are included in Appendix 4.

Priority Phases

This master plan outlines four priority levels for rapid transit infrastructure expansion across the city. The first level includes a single major project through Downtown, while each of the other priority levels is made up of multiple smaller projects. Apart from the first priority project, the program priority levels provide general guidance and can be separated into smaller component projects to match available funding, if required.

The recommended first priority is the core of the network where all six corridors and all three lines intersect, described as the Downtown Rapid Transit Corridors. The Downtown Rapid Transit Corridors project includes the three stations that would serve all three Rapid Transit Lines: Stradbrook Station, Union Station, and Portage & Main Station, along with seven other stations downtown. Each of these stations would be designed to be universally accessible. Union Station would also serve as a mobility hub, offering connections between Winnipeg Transit Plus and the Primary Transit Network within the Family of Services model, as well as other multimodal connections.

Other rapid transit infrastructure priorities are outlined in Section 7 of the attached Winnipeg Transit Master Plan Report. Table 1 below outlines the estimated cost ranges of each rapid transit priority program.

Table 1: Rapid Transit Cost Estimates

Program	Corridor(s)	Rapid Lines	Project Cost Range Estimate*	
			Low	High
1	Downtown	Blue, Orange, Rose	$ 191 million	$ 355 million
2A	North and East	Orange, Rose	$ 19 million	$ 35 million
2B	Southwest and Southeast	Blue, Orange	$ 35 million	$ 65 million
3A	North	Orange	$ 82 million	$ 152 million
3B	Southeast	Orange	$ 48 million	$ 90 million
3C	Grant	Rose	$ 18 million	$ 33 million
4A	East	Rose	$ 90 million	$ 168 million
4B	West	Blue	$ 105 million	$ 195 million

* *Project cost range estimates are in 2020 dollars, excluding inflation to the year of construction and debt financing charges.*

Eastern Rapid Transit Corridor Alignment

The Eastern Corridor Study is underway to provide recommendations on the alignment and configuration of the Eastern Rapid Transit Corridor. The Eastern Corridor Study focuses on infrastructure, and does not consider service in detail. In particular it did not consider a full realignment of the transit network city-wide. The WTMP process established a new route network and service plans for the entire city, including the Eastern Corridor and connecting routes, which provided different perspectives on the alternative alignments. The two project perspectives resulted in a single preferred alignment that was announced publicly on October 23, 2019.

Appendix 7 summarizes the process used to compare various corridor alternatives, along with the recommended alignment.

Work on the Eastern Corridor Study is now focusing on configuration. Additional public engagement on draft plans will take place in the near future.

Resiliency and the Ability to Grow

The design of the new transit network means that each route serves a specific function. This function is based on the geography, demographics, travel patterns, types and intensity of development, and in turn, its ridership potential. A given route can have its frequency, service hours, or even vehicle type adjusted to match demand. Unlike the current system, the new network offers the flexibility to add service when and where it is needed.

This ability to scale service up or down independently on each route or class of service enables resiliency, whether for crisis situations like the coronavirus pandemic, or simply to manage growth over time in an affordable, efficient way. In times of crisis, service adjustments can be targeted in a much more focused way than they can be now. As vehicle technology evolves, new vehicle types can be incorporated on the types of routes where they would make the most sense.

Transit Progression Strategy for New and Developing Neighbourhoods

The WTMP includes a Transit Progression Strategy for new and developing neighbourhoods that will enable less costly service area expansions than has been the case with the legacy transit network. Based on the principles of a permanent Primary Transit Network and flexible Feeder Network, the Transit Progression Strategy proposes introducing service initially as On-Request Service, moving toward peak-period fixed route and higher capacity service as needed to respond to demand. Each step will have a cost impact, but since demand is the driver for upgraded service, each step will also be partially offset by increased fare revenue. This strategy will enable much more flexibility to match capacity to demand and respond to changes over time than is currently possible.

Annual Service Hours

Transition to the New Network

It is expected that no new service hours would be requested or required within five years. A 12% increase in annual service hours to improve weekend service would be phased in over the following five-year period. This plan estimates a further 10% increase in service hours over the 10- to 20-year horizon to handle system expansion, for a total service hour increase of 22% over 20 years.

These estimates assume that most Rapid Transit infrastructure identified through this plan would be built in 20 years, which would decrease the cost per seat (cost of capacity) of those services.

Table 2: Forecast Service Hour Growth

	5 Years	10 Years	20 Years
Change in Service Hours	+0%	+12%	+22%

A primary goal of the WTMP was to create a more cost-effective transit network within existing service hour budgets. The short-term route network can be implemented and meet the minimum service standards on weekdays at no additional operating cost, with no additional buses added to the fleet. This represents a significant overall improvement to transit service throughout the city, entirely within existing resources. Transit will be able to accomplish this because the proposed route network is more efficient, more direct, and contains significantly less duplication.

Beyond this transformative change, new demand for additional annual service hours is most often the result of the need for:

- Additional service frequency
- Additional service capacity
- Additional service area(s)
- Additional service span

Additional Service Frequency

The new transit network provides improved service frequency relative to today in much of the city, seven days per week. In the short-term plan, however, weekend service frequency would remain below the minimum service standards outlined in this master plan, though it will be better than it is today.

The primary cost driver of the long-term future network is the increase in service hours on the weekend, particularly on Sundays. In order to achieve the minimum service standards on Saturdays and Sundays, a 12% increase in service hours would be required, along with the associated number of FTEs.

In the existing network, Saturdays operate at approximately 60% of a typical weekday's service hours, and Sundays operate at approximately 30%. Based on the service guidelines developed through the WTMP process, Saturdays would operate at approximately 80% of a typical weekday's service hours, and Sundays would operate at approximately 70%.

Weekday service hours for the existing and future network are very similar. It is expected that over time, weekend demand would begin to mirror weekday patterns, thus the increase in weekend hours allows customers to access transit with a similar level of service, regardless of the day of the week. The recent provincial relaxation of restrictions on Sunday shopping hours, for example, will result in increased demand on Sundays, especially in the early mornings and late evenings when service is currently limited.

Additional Service Capacity

Due to the significant uncertainty in this type of forecasting, this plan does not provide an estimate of additional service capacity requirements in the long term beyond the additional capacity that is inherent in the new transit network.

The new network is expected to increase ridership over the pre-pandemic levels. It is estimated that the new network will accommodate approximately 25% ridership growth within existing resources. When ridership grows beyond those limits, revenues will also increase accordingly. A prudent policy would see additional revenues generated from higher ridership levels be reinvested back to into the operating budget to support additional service levels. This would provide not only a funding source for the added service hours but ensure the service continues to grow to meet ridership demand.

This plan proposes no increase in weekday service hours in existing developed areas unless or until it is demonstrated by a measurable increase in demand. This is not expected to occur until ridership recovers from the coronavirus pandemic and well exceeds pre-pandemic ridership. Service capacity and emerging potential constraints will be reviewed annually. In the short term, no such constraints are expected. In the medium to long term, accommodating ridership growth may require additional resources. Winnipeg Transit will continuously monitor ridership trends and growth and report on emerging capacity issues as they develop.

Additional Service Areas

The short-term service plan proposes service to all existing developed urban and suburban areas of the city. The cost of this service area expansion is included in the net-neutral cost for weekdays.

As new areas are developed, they will also require new service. A Transit Progression strategy has been developed to guide that process. This strategy will enable new service to be launched at a lower cost than most service area expansions would be under the current network. The proposed Transit Service Progression strategy would also inform when and how that service provision would improve over time, based on ridership growth as the neighbourhood develops.

Additional Service Span

Winnipeg Transit service currently operates approximately 20 hours per day on weekdays and Saturdays and 18 hours per day on Sundays. Few routes operate within all hours of service however, especially on weekends. Many areas of the city have shorter service spans.

In the proposed new network, all areas served by transit would have basic access to transit every day, from early in the morning to late at night. Some individual routes are designed with a limited service span, but alternate services would be available in each case.

Additional service span increases such as earlier or later service on Sundays, or 24-hour service, have not been contemplated in this plan.

Bus Fleet Composition and Growth

The current transit network relies heavily on standard 40-foot buses. The proposed division of the transit network into a Primary Transit Network and a Feeder Network provides the opportunity to right-size the vehicles to fit the purpose of the routes they serve.

The WTMP proposes a gradual increase in the fleet size over the next 25 years, with most additional capacity coming from replacing many 40-foot buses with 60-foot articulated buses. The use of 90-foot bi-articulated buses as well as shorter community-style buses is also considered, along with the potential use of small autonomous shuttles.

The new route network is less constrained than the existing one and offers more flexibility to incorporate new and emerging vehicle technologies, including zero-emission buses. A plan for converting the fleet to zero-emission buses was prepared and presented to the Standing Policy Committee on Infrastructure Renewal & Public Works in February 2021.

Bus Stops and Other Infrastructure

Bus Stops, Junctions, Stations, and Hubs

This plan identifies four types of places where people can connect to the transit network:

- Bus Stops
- Transit Junctions
- Rapid Transit Stations
- Mobility Hubs

Transit Junctions and Mobility Hubs are new proposed designations under this plan.

Transit Junctions are places where two or more routes meet. Transit Junctions are a new concept, which designates a collection of bus stops as a single unit for planning and design. Transit Junctions will be designed to make these connections as safe, efficient, and accessible as possible, both through infrastructure design and level of customer amenity. Transit Junctions will be high priorities for accessibility improvements, including through road renewal projects and through the existing Transit Accessibility program.

Mobility Hubs are places where several different lines meet, where Winnipeg Transit Plus customers can connect with conventional and rapid service, and where many different intermodal options can be provided: walking, rolling, cycling, driving, car-share, bike-share, scooter-share, taxis, or any future transportation type, are all examples of modes that could connect with transit at Mobility Hubs. Hubs can also include features like Wi-Fi, food service, and shops, or be integrated with larger shopping or other activity centres.

Universal Accessibility Considerations

Winnipeg Transit has a goal of having all Stops, Junctions, Stations, and Hubs be universally accessible, in accordance with the City of Winnipeg Universal Design Policy, Accessibility Design Standards, and the provincial Accessibility for Manitobans Act and its related transportation standards (which are still in development by the Province of Manitoba). Currently, many bus stops are not universally accessible. A bus stop field audit was conducted with a sampling of over 1,100 bus stops. This analysis determined that about eight percent of the audited stops do not have a clear and accessible area on the boarding platform where the bus doors would open, indicating they fail to meet basic levels of accessibility. In a separate desktop mapping analysis of all bus stops, about one percent of the system, 587 stops, were identified as having no boarding platform at all. Another 100 stops have a platform, but no sidewalk connecting to the platform.

Bus stop accessibility improvements are generally connected to road renewal projects. Winnipeg Transit has an additional annual program of $250,000 for accessibility improvements. This enables a small number of stops to be improved on an annual basis outside the road renewal program.

Mobility Hubs, Stations, and Junctions will be designed wherever possible to incorporate accessible loading and unloading zones to enable integration with Winnipeg Transit Plus under the Family of Services model.

Bus Stop Spacing and Consolidation

The WTMP establishes stop spacing guidelines for each class of transit service. Many existing routes have bus stops placed closer together than recommended under these guidelines. Closely-spaced bus stops contribute significantly to reducing average bus speeds, thereby increasing trip times for transit customers and making the service less attractive to use. There is also a significant backlog of accessibility upgrades throughout the system. By consolidating closely-spaced or redundant bus stops, the remaining bus stops can be more feasibly targeted for accessibility and amenity improvements.

As part of the transition to the new network or in some cases, during street renewal projects, some existing bus stops will be relocated, removed, or consolidated with other nearby bus stops. In general, bus stops will not be removed unless the remaining adjacent bus stop(s) have at least the same level of amenity and accessibility as the one(s) removed.

Stop consolidation will generally take place as part of the implementation plans for the new route network, each phase of which would be brought forward to Council or the appropriate Committee of Council for approval at the appropriate time.

Heated Shelters

A Heated Bus Shelter Program began as part of the 2019 budget to facilitate the installation of 55 heated bus shelters throughout Winnipeg. While several heated shelters were installed in 2019 and 2020, the determination of the potential locations of the remaining shelters was referred to the WTMP to ensure they would be installed in locations that aligned with the future route network. A list of potential locations is attached in Appendix 6.

The precise design and placement of the shelters will be addressed each year as the plans for that year's shelter procurement and installation are finalized. The installation schedule will ensure all 55 shelters will be completed by 2025, and based on preliminary cost estimates it is expected the total funds in the amount of $7.031 million which has either been approved (2019-2021) or forecasted (2022-2023) as part of Transit's capital budget will be sufficient to facilitate the completion of this program.

Active Transportation Integration

Because every transit trip includes an active transportation component at its beginning and end, connectivity to the active transportation network is of key importance. However, the planning, design, and construction of new active transportation facilities, particularly bicycle paths, can be challenging when Rapid Transit and Primary Transit Network lines are being proposed on existing streets, as is the case in the WTMP, and not on dedicated corridors, as was the case with the Southwest Transitway.

As the implementation plans for the WTMP route network are refined and put into effect, work will continue in cooperation with the Public Works Department to seek opportunities to build connections between transit facilities and existing and proposed AT facilities, and to ensure alignment with the Pedestrian and Cycling Strategy.

The intent in the WTMP is for more Rapid Transit Stations and Mobility Hubs to be built with bicycle storage facilities, to allow for seamless multimodal travel.

Winnipeg Transit has a goal of equipping all buses with bike racks, year-round. The current size and shape of two of three bus storage garages does not allow for this. Once a replacement for the aging North Garage facility is built, Winnipeg Transit can begin to purchase new buses with bike racks, and potentially equip existing buses as well. The layout of the Fort Rouge Garage facility will create an ongoing challenge: the length of the storage tracks and the spacing of walkways, doors, and emergency exits, which are permanent, structural parts of the building infrastructure, were designed for buses to be parked within inches of each other and cannot accommodate the extra space that would be needed for bike racks. Significant retrofitting of Fort Rouge Garage would be required for it to be able to fully accommodate buses with bike racks.

Fare Structure & Policies

The WTMP recommends a simplified fare structure. Winnipeg Transit's current fare structure offers too many products and is too complicated. Implementing a streamlined fare structure would remove redundancy and improve legibility for riders. The proposed changes promote unlimited-ride pass options, focus discounts on a needs-based model rather than an age-based

one, and promote a shift to digital media. Fare-free travel for children 11 and under began in Winnipeg on January 1, 2021, and the WTMP proposes to maintain this policy.

Specific recommendations for the simplified fare structure, including the product mix, concessionary programs and rates will be brought forward in a separate administrative report or as part of the annual budget.

Service Plan Implementation

The WTMP considers transit service separately from infrastructure. Frequent transit service, for example, can be introduced before special Rapid Transit infrastructure is built. Infrastructure investments can follow over a longer timeframe as funding becomes available, targeting locations where investment is needed most to bypass congestion.

The Long-Term Network Plan (shown in Appendix 3) represents the vision for Winnipeg Transit service in 25 years. This master plan also proposes a short-term network that takes many significant steps toward the long-term network, and which can be implemented in the next five years without rapid transit infrastructure expansion. The short-term network, as presented to the public in the fall of 2020, is included in Appendix 2.

Detailed implementation plans will be created after Council consideration of this master plan. The details of the short-term network may change somewhat as detailed planning progresses and based on feedback from future public engagement.

This report is not intended to seek approval of specific route or service changes. If this master plan is approved by Council, the Public Service will report separately on detailed service changes for each implementation step, in alignment with the vision presented in the WTMP.

Primary Transit Network Infrastructure

The service plan can be implemented without major investments like rapid transit, but there is a need for some investment in basic infrastructure around the city. Some new routes will need new bus loops to avoid the need to circle residential streets to turn around, or traffic signals to enable turns onto major streets. Other new routes will need comfort stations (bus operator washrooms) so that bus operators have access to these facilities during their shifts. The most critical Transit Junctions should be upgraded to ensure an appropriate level of accessibility and amenity, since the new network relies on people being able to make safe, convenient, and universally accessible connections at these locations. Thousands of bus stop signs will need to be updated, and an extensive communications and marketing campaign will be needed.
The Primary Transit Network Infrastructure project will include $2.4 million for additional active transportation paths that improve access to current and future transit routes.

This work has been prioritized and is included in the list of projects for ICIP funding consideration.

Operating

Generally, implementing the new transit network with the minimum service standards achieved on weekdays is anticipated to be completed without requiring additional service hours over those included in the approved 2020 budget. The proposed route network’s efficiency gains allow for frequency and span of service improvements throughout the city that are net-neutral with respect to service hours. Additional operating budget will be required to handle additional maintenance on the proposed new infrastructure including shelters and comfort stations

proposed under the Primary Transit Network Infrastructure project. The specific financial impacts of these initiatives will be reported separately or included in future years' budget submissions.

With no increase in service hours, weekend service quality would improve over existing conditions, but would remain below the minimum service standards as set out in this plan. Achieving the minimum service standards on weekends would require an overall increase in Transit's service hour budget of approximately 12%. This is proposed for the five- to ten-year horizon. Additional work will be required in order to model a more precise estimate of required annual service hours, FTEs, and funding for weekend service improvements. Winnipeg Transit will report back to Council with additional details including specific funding requirements as part of the implementation plans over the upcoming five years.

In the longer term, as ridership recovers following the coronavirus pandemic and continues on its expected growth trend beyond pre-pandemic levels, additional funding will be required to accommodate increased ridership levels. One funding option could see the implementation of a policy where additional revenue generated from higher ridership levels would be partially reinvested back into the operating budget to support additional service levels. This would provide a funding source for the added service and ensure the service capacity continues to grow to meet ridership demand. This added service would then create an even more attractive service, generating more ridership. This type of positive feedback cycle will be required to meet the goals set out in the Climate Change Action Plan.

Capital

Transit's immediate capital needs include projects covered by the WTMP as well as other projects. The list has been prioritized, and is included for consideration as part of the ICIP funding program. The highlighted projects include the Radio & ITS replacement, replacement of the North Garage, the transition to Zero-Emission Buses, preliminary design work for the Rapid Transit (Downtown Corridors), infrastructure related to implementing the Primary Transit Network, and upgrading the wheelchair securements on the bus fleet. Future capital needs beyond these projects will be assessed as implementation recommendations are put forward for consideration in future years as part of the capital budget process.

Moving Forward/Next Steps

The next steps outlined in the WTMP will allow Winnipeg Transit to begin work in the following areas:

- Creating the new transit network
- Making changes to Winnipeg Transit Plus
- Building the Primary Transit Network Infrastructure
- Designing the Rapid Transit Downtown Corridors
- Implementing other policy and operational changes

Transit's Investing in Canada's Infrastructure Program (ICIP) Plan – Public Transit Infrastructure Stream

On December 13, 2019, the Office of the Prime Minister issued a Mandate Letter with respect to the deadline for identifying provincial infrastructure priorities relative to the ICIP program.

"Require that all provinces and territories identify and approve all of their long-term infrastructure priorities within the next two years and according to the signed bilateral agreements. Funds that are not designated for specific approved projects by the end of 2021 will be reinvested directly in communities through a top up of the federal Gas Tax Fund."

Rt. Hon. Justin Trudeau, P.C., M.P.
Prime Minister of Canada

On February 2, 2021, the City received a letter from the Federal Government with respect to their ongoing support for Winnipeg's ICIP application.

"We acknowledge that the City of Winnipeg has made a decision to keep the remaining Public Transit Infrastructure stream funding to support a future transit project. We look forward to receiving transit projects to utilize the existing transit allocation, and will always remain a committed partner in supporting transit expansion."

The Honourable Catherine McKenna, P.C., M.P.,
Minister of Infrastructure and Communities

For additional background information on the Investing in Canada Infrastructure Program (ICIP), see Appendix 11.

The proposed projects below are listed in order of priority for ICIP submission. Table 3 represents project costs with the proposed federal and provincial funding for each project:

Table 3: Projects for Federal and Provincial ICIP Funding

Project Name	Class of Estimate	Proposed Funding ($000s)						
		Total Project Costs	Total Eligible Project Costs	Federal (40.00%)	Provincial (33.33%)	City (Eligible)	City (Ineligible)	City Total
Bus Radio and Intelligent Transportation System Replacement	3	$ 17,279	$ 13,475	$ 5,390	$ 4,493	$ 3,592	$ 3,804	$ 7,396
North Garage Replacement	5	$ 200,066	$ 182,557	$ 73,023	$ 60,846	$ 48,688	$ 17,509	$ 66,197
Transition to Zero Emission Buses*	4	$ 280,391	$ 276,638	$ 110,655	$ 92,203	$ 73,780	$ 3,753	$ 77,533
Rapid Transit (Downtown Corridors) Preliminary Design	5	$ 7,000	$ 6,650	$ 2,660	$ 2,216	$ 1,774	$ 350	$ 2,124
Primary Transit Network Infrastructure	5	$ 20,400	$ 18,164	$ 7,266	$ 6,104	$ 4,794	$ 2,236	$ 7,030
Wheelchair Securements Retro-fit	5	$ 13,750	$ 11,514	$ 4,606	$ 3,838	$ 3,070	$ 2,236	$ 5,306
Total Public Transit Infrastructure		$ 538,886	$ 508,998	$ 203,600	$ 169,700	$ 135,698	$ 29,888	$ 165,586

* Provincial funding includes previously approved amounts.

See Appendix 10 for the details of the funding sources for each project by year.

In addition, Table 4 outlines the corresponding City funding required. The City funding is broken down into three components: previously approved 2021 budget; adopted in principle forecast for 2022-2026; and the resulting additional funding required. Full details are outlined in the capital budget detail sheets in Appendix 8.

Table 4: City Funding Required

Project Name	Class of Estimate	Proposed Funding ($000s)			
		Total City Funding	2021 Approved Budget	2022 - 2026 Forecast *	Incremental Additional Funding
Bus Radio and Intelligent Transportation System Replacement	3	$ 7,396	$ -	$ 7,396	$ -
North Garage Replacement	5	$ 66,197	$ 1,651	$ 10,939	$ 53,607
Transition to Zero Emission Buses	4	$ 77,533	$ 8,123	$ 53,496	$ 15,914
Rapid Transit (Downtown Corridors) Preliminary Design	5	$ 2,124	$ -	$ 2,124	$ -
Primary Transit Network Infrastructure	5	$ 7,030	$ -	$ 7,030	$ -
Wheelchair Securements Retro-fit	5	$ 5,306	$ -	$ 5,306	$ -
Total Public Transit Infrastructure		$ 165,586	$ 9,774	$ 86,291	$ 69,521

* 2022 - 2026 Adopted in Principle Forecast

Funding Sources for 2022 - 2026 Forecast

Cash to Capital	$ 15,357
Retained Earnings	3,000
Transit Bus Replacement Reserve	31,159
External Debt	36,775
Total	$ 86,291

This report recommends Council approval to utilize Transit's 2021 Capital Budget and the 2022-2026 Forecast to reallocate and fund the City's share of proposed project costs. This will require $69.521 million of new long-term debt in order to deliver $538.886 million of infrastructure projects in alignment with the WTMP. See Appendix 10 for the funding changes for each of the impacted projects, as compared to what had been previously approved as part of the 2021 capital budget.

The capital detail sheets in Appendix 8 and the details of capital funding changes in Appendix 10, only include those projects with funding sources that were changed from what had been previously approved as part of the 2021 capital budget and as such do not reflect the entire capital portfolio for Transit.

The Provincial funding share will be allocated out of the City's annual strategic infrastructure basket funding amount of $75.3 million. The Council approved 2021 to 2026 capital budget does not include Provincial basket funding beyond 2023. As such a subsequent arrangement for the Provincial ICIP funding will need to be determined for their contribution amounts in 2024-2026.

Borrowing Authority

Incremental borrowing authority of $69.521 million is required for the projects detailed in this report.

Debt Strategy

On October 28, 2015, Council adopted a Debt Strategy for Tax Supported, Utilities and total City borrowing.

Subject to approval of the recommendations of this report, additional borrowing authority of $69,521,000 is required. This borrowing in anticipated to start in 2022.

$128 million of Tax Supported and $113 million of Utilities borrowing capacity will remain if Council approves this report (based on 2021 borrowing).

The impact of this debt financing falls within the debt limits established in the Council Policy as outlined in the table below:

Tax Supported net debt as a percentage of revenue not to exceed	80%
Forecasted peak rate including proposed debt from this report	65.5%
Utilities net debt as a percentage of revenue not to exceed	220%
Forecasted peak rate including proposed debt from this report	94.6%
Total City net debt as a percentage of revenue not to exceed	90%
Forecasted peak rate including proposed debt from this report	78.2%
Tax Supported debt servicing as a percent of revenue not to exceed	10%
Forecasted peak rate including proposed debt from this report	5.0%
Utilities debt servicing as a percent of revenue not to exceed	20%
Forecasted peak rate including proposed debt from this report	8.4%
Total City debt servicing as a percent of revenue not to exceed	11%
Forecasted peak rate including proposed debt from this report	6.0%
Tax Supported Debt per Capita not to exceed	1,500
Forecasted peak rate including proposed debt from this report	1,147
Utilities Debt per Capita not to exceed	1,500
Forecasted peak rate including proposed debt from this report	789
Total City Debt per Capita not to exceed	2,800
Forecasted peak rate including proposed debt from this report	2,041

Transit Infrastructure Reserve

The existing Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass Payment Reserve was created to provide the funding needed for the City to meet its obligations for the 30 years of P3 capital, operating and maintenance payments for the Southwest Rapid Transitway (Stage 2) and Pembina Highway Underpass capital project. The funding source for this reserve was to be 10 years of dedicated .33% property tax increases (over the years 2016-2025).

The long-term financial model for the reserve has been updated to reflect current estimated project costs and anticipated long term debt amounts that will be needed for the Southwest Rapid Transitway (Stage 2) capital project. The results indicate there will be adequate funding to meet the funding needs for that reserve with 8 years of dedicated property tax increases (2016-2023).

This provides an opportunity to provide a funding source for the principal and interest payments on the debt needed to facilitate the North Garage Replacement Project by creating a new reserve, the Transit Infrastructure Reserve, and allocating the remaining 2 years of the total 10 year annual .33% property tax increase (2024-2025) to the new reserve. For clarity, the terms of reference for the new reserve are attached as Appendix 13.

Identifying a funding source for the debt needed to deliver this project is beneficial to the City in ensuring the proposed funding plan is feasible. The estimated annual financing costs to be funded from this reserve are $2.465 million in 2025 and $4.087 million to the end of the 30-year term.

FINANCIAL IMPACT

Financial Impact Statement **Date:** March 5, 2021

Project Name: **First Year of Program** **2021**

Winnipeg Transit Master Plan and Transit's Investing in Canada's Infrastructure Program (ICIP) Plan

	2021	2022	2023	2024	2025	2026 and Beyond
Capital						
Capital Expenditures Required	$ 35,392,000	$ 99,039,000	$ 119,279,000	$ 128,662,000	$ 69,434,000	$ 132,762,000
Less: Existing Budgeted Costs	23,212,000	28,387,000	27,183,000	28,893,000	27,219,000	27,490,000
Additional Capital Budget Required	$ 12,180,000	$ 70,652,000	$ 92,096,000	$ 99,769,000	$ 42,215,000	$ 105,272,000
Funding Sources:						
Debt - External	$ -	$ 17,037,000	$ 20,065,000	$ 16,505,000	$ -	$ 15,914,000
Federal Funding - ICIP	10,347,000	32,505,000	43,233,000	45,599,000	23,491,000	$ 48,425,000
Provincial Funding - ICIP	1,833,000	21,110,000	28,798,000	37,868,000	19,488,000	40,933,000
Reserves, Equity, Surplus or Other	-	-	-	(203,000)	(764,000)	-
Total Funding	$ 12,180,000	$ 70,652,000	$ 92,096,000	$ 99,769,000	$ 42,215,000	$ 105,272,000
Total Additional Capital Budget Required	$ 422,184,000					
Total Additional Debt Required	$ 69,521,000					
Current Expenditures/Revenues						
Direct Costs	$ 391,000	$ 1,480,000	$ 2,519,000	$ 2,862,000	$ 2,939,000	$ 4,181,000
Less: Incremental Revenue/Recovery	380,863	494,865	408,045	694,095	1,061,560	1,573,540
Net Cost/(Benefit)	$ 10,137	$ 985,135	$ 2,110,955	$ 2,167,905	$ 1,877,440	$ 2,607,460
Less: Existing Budget Amounts	10,137	420,363	1,509,093	2,244,518	3,280,173	2,930,083
Net Budget Adjustment Required	$ -	$ 564,772	$ 601,862	$ (76,613)	$ (1,402,733)	$ (322,623)

Additional Comments: The Winnipeg Transit Master Plan is a long term policy framework that sets the direction for the future vision, goals and objectives for the transit system in Winnipeg. The financial impact related to implementation of aspects of the master plan will be tabled for Council consideration in separate reports or as part of the annual budget process.

There is no financial impact to receiving the heated bus shelter locations as information. The capital funds needed to deliver this program are included in Transit's 2019-2021 approved capital budgets and 2022-2023 capital forecasts.

There is a financial impact from the recommendations related to the ICIP program and other changes to the capital program as reflected in the financial impact statement above.

Capital Expenditures Required reflects the total amount of all previously approved projects that were impacted from the reallocation of existing funding sources and the new projects recommended for the ICIP program as detailed in Appendix 8 and summarized in Appendix 10. The capital budget for the ICIP projects in the amount of $538.886 million are included in annual amounts reflected.
The Existing Budgeted Costs reflect the amounts previously adopted by Council as part of the 2021 Capital Budget and 2022-2026 Capital Forecasts for the impacted projects.

The Net Additional Capital Budget required to deliver these new projects is $422.184 million.

The Funding strategy for the proposed program includes $69.521 million in additional debt.

As the recommendation is to fund the related debt and financing costs for the North Garage Replacement project, which includes the majority of the new debt, out of a new Transit Infrastructure Reserve, there is no operating impact from $53.607 million of the additional debt. The estimated annual payments that would be made out of the reserve are approximately $2.5 million in 2025 and $4.1 million annually thereafter to the end of the 30 year term. The debt costs for the remaining $15.914 million of new debt are to be funded through the operating budget and are included in the Direct Costs. Any additional incremental operating costs have not been included and will be tabled as part of future budgets as the estimates are refined.

Incremental Revenue/Recovery represents the Interest and Administrative overheads to be applied to the capital projects and is not applicable on major capital projects. The operating impact reflects a net decrease in recovery amounts from what was previously budgeted mainly due to the new North Garage project meeting the criteria for a major capital project. Additionally there is an operating impact from the changes proposed to the terms of existing long term debt amounts. The 2021 net operating impact will be funded through existing budget amounts and the impact for 2022 and onward will be referred to the 2022 budget process where the net operating impact will be refined based on the cash flow analysis of when the long term debt amounts will likely be needed.

original signed by
Laurie Fisher, CPA, CA
Manager of Finance and Administration

CONSULTATION

This Report has been prepared in consultation with:

- Public Works Department
- Planning, Property & Development Department
- Office of Sustainability
- Infrastructure Planning Office
- Economic Research, Office of the Chief Administrative Officer
- Financial Planning and Review, Corporate Finance
- Legal Services

OURWINNIPEG POLICY ALIGNMENT

OurWinnipeg (2010)

01-1b key Directions for the Entire City:

- Dynamically integrate transportation with land use
- Accommodate growth and change in Transformative Areas within the city's built environment including: Mixed Use Centres and Corridors, Major Redevelopment Sites and Downtown.
- Recognize that New Communities will play an important role in accommodating the City's projected population growth.
- Ensure Winnipeg's Employment Lands provide for a wide range of market opportunities, accommodating new investment and economic development while contributing an abundance of job opportunities for our citizens.

Transportation Master Plan (2011)

Key Strategic Goals:

1. A transportation system that is dynamically integrated with land use.
2. A transportation system that supports active, accessible and healthy lifestyle options.
3. A safe, efficient and equitable transportation system for people, goods and services.
4. Transportation infrastructure that is well-maintained.
5. A transportation system that is financially sustainable.
6. A transportation system that reduces its greenhouse gas emissions footprint and meets or surpasses climate change and emissions reduction goals set by the City and the Province.

WINNIPEG CLIMATE ACTION PLAN ALIGNMENT

This report is in accordance with the Winnipeg Climate Action Plan (WCAP) as per Direction 3.1 *Increase Use and Efficiency of Public Transit Systems*.

SUBMITTED BY

Department: Transit
Division: Service Development

Prepared by: Bjorn Radstrom, P. Eng., Manager of Service Development
Kevin Sturgeon, P. Eng., Senior Transit Planner
Scott Payne, Manager of the Asset Management Office
Laurie Fisher, Manager of Finance and Administration
Date: March 5, 2021

Appendix:

1. Winnipeg Transit Master Plan
2. Short Term Network Plan
3. Long Term Network Plan
4. 2045 Proposed Rapid Transit Network
5. Public Engagement Material
6. Heated Shelter Locations
7. Eastern Corridor Study Update
8. Capital Budget Detail Sheets
9. Capital Project Descriptions
10. Capital Funding Changes by Project
11. Investing In Canada Infrastructure Program – Background
12. History of Council Dispositions
13. Transit Infrastructure Reserve - Terms of Reference