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## **City will spend \$834-million to save streetcar deal : Toronto will find an extra \$417-million by deferring other capital projects, special council meeting decides**

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A \$1.2-billion deal to replace Toronto's fleet of aging streetcars is a go after city council voted to put up \$834-million - twice its original commitment - to keep the project on track for 2012.

Council voted 36 to 6 at a day-long special meeting yesterday to approve the extra funds after Toronto Mayor David Miller failed to bring the federal government on board to pay for one-third of the project.

He brushed off critics who blamed him for a "slipshod" process that led to the meeting a day before the Toronto Transit Commission's proposed contract with Bombardier Inc. for 204 replacement streetcars was to expire at midnight tonight.

"We have just secured the transit future for this city for a generation," Mr. Miller said, jubilant over a vote he called "extraordinary and historic."

The city had worked in the past six months to nail down \$10-billion in transit funds over the next decade from the provincial government, mostly, but also from Ottawa.

"We are changing the face of Toronto through that work," the mayor said.

Others took a dimmer view, questioning the 11th-hour decision-making and the consequences for Toronto in picking up two-thirds of the tab.

"You went into a high-stakes game and put the city at risk," charged councillor Denzil Minnan-Wong (Ward 34, Don Valley East), who voted yes.

Councillor Karen Stintz (Ward 16, Eglinton-Lawrence), also supported the deal and condemned the process.

"The mayor stood up and described it as a victory for the city," she said. "I don't think we are looking at a victory. I think we are looking at a mess that we now have to have cleaned up."

The hastily called meeting - on day five of a city workers' strike - was held at the Metro Toronto Convention Centre at a cost of \$20,000, not the usual council chambers at city hall, where pickets are up for locals 79 and 416 of the Canadian Union of Public Employees.

Immediately after yesterday's vote, chief general manager of the Toronto Transit Commission, Gary Webster, presented a contract award letter to a representative of Montreal-based Bombardier Inc.

"We are thrilled," Bombardier vice-president Michael Hardt said later. "We start work on Monday to bring new streetcars to Toronto."

Despite the skepticism of others, both the mayor and city officials contend that Toronto can shoulder a bigger share of the streetcar bill without borrowing more money.

That's because the TTC has decided to defer several projects on the books for 2014-2018 and redirect the capital dollars to the streetcars.

One of the most significant deferrals is a mid-life bus rebuild program for vehicles now about six years old, although the TTC still has \$120-million in the kitty for that program.

"If we find more money is required, we will identify and take it to the budget process," Mr. Webster said.

With council's green light, the TTC will gradually replace its often-unreliable streetcar fleet, which carries about one million riders a week, with low-floor, accessible, air-conditioned cars that carry twice as many passengers.

No less important, though, the Bombardier deal includes an option for the TTC to buy up to 400 light-rail vehicles to run on new routes, some of which already have funding pledged from senior governments.

One remaining uncertainty is what short-term federal funds will flow to Toronto.

Last week, Infrastructure Minister John Baird rejected Toronto streetcars for a federal stimulus program, but invited other projects for funding before March 31, 2011.

The minister's spokesman, Chris Day, said "we're working with the city to identify even more projects - ones eligible for stimulus money - to partner on."

After the vote, Mr. Miller said he is "confident" of winning some aid from Ottawa.

In a statement, Toronto Board of Trade president Carol Wilding praised the transit vote, urging the mayor to work with Ottawa to "ensure that Toronto receives its share of federal stimulus funding."