

CAPITAL LINE SOUTH EXTENSION FUNDING UPDATE

Recommendation

1. That capital profile 16-66-7018 - Capital Line South LRT: Century Park to Ellerslie Road, be increased by \$35 million in 2027 with funding from the Investing in Canada Infrastructure Program’s provincial match funding.
2. That Attachment 1 of the November 13, 2024, Integrated Infrastructure Services report IIS02775 remain private pursuant to sections 21 (disclosure harmful to intergovernmental relations), 24 (advice from officials), 25 (disclosure harmful to economic and other interests of a public body) and 27 (privileged information) of the *Freedom of Information and Protection of Privacy Act*.

Requested Action	Council decision required		
ConnectEdmonton’s Guiding Principle	ConnectEdmonton Strategic Goals		
CONNECTED This unifies our work to achieve our strategic goals.	Urban Places		
City Plan Values	ACCESS		
City Plan Big City Move(s)	A community of communities	Relationship to Council’s Strategic Priorities	Mobility network
Corporate Business Plan	Transforming the future		
Council Policy, Program or Project Relationships	<ul style="list-style-type: none"> • The City Plan 		
Related Council Discussions	<ul style="list-style-type: none"> • June 11, 2024 and August 20, 2024, FCS02504 Bylaw 20866 - To amend Revised Bylaw 19781, City Council • May 16, 2023, IIS01679 Capital Line South Extension Update, City Council • June 22, 2021, IIS00553 Capital Line South Extension - Project Update and Budget Approval, City Council • June 1, 2020, CR_8337 LRT Transit Priorities Update - Strategic Options, Extension Planning and Proposed Stages of Construction, Special City Council 		

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Executive Summary

- Administration is recommending City Council approve a budget adjustment to capital profile 16-66-7018 (Capital Line South LRT: Century Park to Ellerslie Road) to reallocate \$35 million from capital profile 16-66-7017 (Valley Line LRT: Downtown to Lewis Farms) and capital profile 16-66-7013 (Metro Line LRT: NAIT to Blatchford Extension).
- The City has received written confirmation that Treasury Board has approved the City of Edmonton's request to reallocate previously approved funding from the Valley Line West Light Rail Transit Project and the Metro Line NW LRT Project to the Capital Line South Extension LRT project and indicated that a formal letter notifying the City of this approval will be sent to the Mayor in the coming weeks.
- The reallocation involves transferring \$31 million from Valley Line West and \$4 million from the Metro Line Northwest.
- The \$35 million portion of the \$1.47 billion provincial grant funding is under the Investing in Canada Infrastructure Program (ICIP).
- This is not new funding, but a reallocation of existing partner funds to continue with the approved scope for the project.
- The City has been working with the Ministry of Transportation and Economic Corridors during the last few months to facilitate the reallocation.

REPORT

Project Background

Project Overview

The Capital Line South LRT Extension (CLSE) is a critical infrastructure project designed to expand Edmonton's LRT network, addressing the city's increasing transportation demands and enabling better regional mobility. The extension aims to provide a sustainable and efficient mass transit option, reduce traffic congestion and support urban development in line with Edmonton's Mass Transit Strategy.

The project is being executed in two phases. Phase 1 extends the LRT from Century Park to the Heritage Valley Transit Centre and Park & Ride north of Ellerslie Road. Phase 2, which remains unfunded, will extend the line south to the Desrochers neighbourhood near 41 Avenue SW.

The approved project scope for Phase 1 includes two new stations, an LRT underpass at the 23 Avenue crossing, two new LRT bridges, integration with the Heritage Valley Park & Ride, and the Llew Lawrence Operations and Maintenance Facility (OMF). The OMF incorporates indoor storage for up to 40 light rail vehicles (LRVs) and outdoor storage for up to 20 LRVs. The OMF will ensure Edmonton's LRT service operates smoothly as public transit demand grows. It will also facilitate scheduling efficiencies for Capital Line service, allowing LRT Operators to start and end their shifts at a location on the south side of the city. This reallocation of partner funding will allow the City to construct the full approved scope of the OMF.

Affordability Adjustments

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Due to economic pressures, including inflation and market uncertainty, the original cost estimates for the CLSE project increased during procurement. To manage these financial challenges, the City made adjustments to ensure the project stayed within its approved budget. In May 2023, as part of the IIS01679 Capital Line South Extension Update report, Administration provided an update regarding scope reductions aimed at maintaining the financial viability of the project while preserving the essential functions of the LRT system. Administration has continued to work with funding partners to make efficient use of grant funding on our expansion projects.

Funding Reallocation Request

The City has received written confirmation that Treasury Board has approved the City of Edmonton's request to reallocate previously approved funding from the Valley Line West LRT project and the Metro Line NW LRT project to the Capital Line South Extension LRT project and that a formal letter notifying the City of this approval will be sent to the Mayor in the coming weeks. This reallocation involves transferring \$31 million from the Valley Line West (VLW) project and \$4 million from the Metro Line Northwest (MLNW) project to the Capital Line South project. It is important to note this is not new funding, but a reallocation of existing funds that are not able to be claimed under the VLW and MLNW projects due to ineligible project expenditures being included in the approved budgets when the grant program was originally set up. This reallocation will not affect project budgets for Valley Line West and Metro Line Northwest.

Budget/Financial Implications

The reallocation of \$35 million includes \$31 million from VLW and \$4 million from the MLNW. In the case of both projects, this funding is available due to ineligible project expenditures being included in the approved budgets. This resulted in grant funding approved for each project that cannot be claimed.

Community Insight

Throughout the planning and design phases of CLSE, extensive public and stakeholder engagement has taken place. This has included open houses, online surveys, Indigenous consultations and the establishment of a formal Community Advisory Committee (CAC). These efforts began with the CLSE Concept Plan in 2008 and continued through preliminary design in 2010, with additional engagement from 2017 to the present.

GBA+

The Capital Line South Extension is an important part of the LRT expansion portion of the Infrastructure Planning and Development City priority and will assist the City in continuing to make transformational impacts. These transformational changes will help achieve the vision of the approved LRT Network Plan by providing multi-modal, universal access to all Edmontonians as the city grows to a population of two million as envisioned by The City Plan.

Many transit staff members who will benefit from scheduling efficiencies associated with the construction of the OMF as part of the project represent equity deserving groups. Having access to the OMF facility on Edmonton's south side can enable better quality of life and reduce their personal GHG emissions by reducing travel time to/from work. Developing neighbourhoods in

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Edmonton tend to be more affordable, meaning newcomers, lower income households and newer families with young children are more likely to choose them. Transit service growth has lagged behind population growth, meaning there may be less transit service in these areas compared to central areas and unmet ridership demand. This disproportionately affects residents in these areas, reducing affordable mobility options and therefore access to economic, education and social opportunities. In addition, more women use public transit and use transit for trip chaining purposes, making multiple stops in a transit journey for care-based trips connected to childcare, eldercare and essential services like grocery shopping and healthcare appointments.

Environment and Climate Review

This report was reviewed for environmental and climate risks. Based on the review completed, no significant interactions with the City's environmental and climate goals were identified within the scope of this report.

Attachment

1. Capital Line South Extension Contractual Update (Private)