

Ottawa grants Toronto \$200M for infrastructure

Last Updated: Friday, September 11, 2009 | 6:50 PM ET [Comments250](#)[Recommend53](#)

[CBC News](#)

The federal government will contribute up to \$200 million in infrastructure funding to Toronto, a large chunk of which will be spent on upgrades to the city's transit system and water mains.

"These important investments will help Toronto build modern public infrastructure that will support job creation and enhance economic stability and growth not just in the city of Toronto but across the Greater Toronto Area and across Ontario," Finance Minister Jim Flaherty said Friday morning, lauding the projects for being "shovel ready."

"Today's announcement reaffirms our partnership with Toronto to emerge strong from these tough economic times," he said, flanked by Transport Minister John Baird and Mayor David Miller at Toronto's Exhibition Place.

The money comes in response to the city's request for stimulus funds for about 500 infrastructure projects. The city and Ottawa will now spend a total of \$600 million on the projects, Flaherty said.

"I could get used to this," said Mayor Miller, who said the federal support was coming at a time when it "is needed most" by the city.

"These investments will be used to put people in Toronto and Ontario to work, and to build the public infrastructure needed to enable future growth and prosperity."

Miller said the infrastructure funding will help protect or create nearly 7,000 jobs over the next two years.

A total of \$170 million will go toward updating Toronto's water infrastructure, specifically for basement flooding relief, replacing lead pipes in older homes and water-main replacement projects, Miller said.

The single most expensive project is expected to be fixes to cracks in the Coxwell Sanitary Trunk Sewer, a major pipe that carries away waste from 750,000 residents on either side of the Don River. The repairs are billed at \$40 million.

The TTC will receive \$183 million "to upgrade system security and safety." A number of TTC stations will be modernized, including :

- Dufferin.
- Warden.
- Victoria Park.

Around \$30 million will go toward resurfacing and upgrading roads, while \$10 million will be spent on parks and recreation projects.

Stringent federal criteria

The federal government had earmarked about \$4 billion in stimulus spending on infrastructure projects countrywide as part of the January budget.

Miller had originally requested \$300 million of stimulus funding for new streetcars.

The federal government, however, said this summer that proposal did not meet eligibility criteria because the project wasn't "shovel ready," wouldn't create local jobs or be completed by the deadline of 2011.

Toronto city council then approved an emergency transit-funding plan on Friday to provide an extra \$417 million to secure a streetcar contract with Bombardier by deferring some capital spending projects until 2018.

Toronto ended up buying 204 streetcars from Bombardier, at a cost of \$1.2 billion.