

MEETING DATE: November 20, 2002

SUBJECT: York Region Transit - Agreement For Lease Of TTC Bus Platforms (Don Mills Station)

RECOMMENDATION

It is recommended that the Commission:

1. approve the negotiation and execution of an agreement between the TTC and York Region Transit (YRT) for the non-exclusive use of TTC Bus Platform No. 6 and the exclusive use of Bus Platform No. 7 at Don Mills Station, under the terms and conditions set out in this report; and
2. authorize staff to take the necessary action to give effect thereto.

FUNDING

The TTC will secure a long-term revenue source during the term of the Agreement in the amount of \$58,800 per year and ensure full cost recovery for maintenance costs incurred to accommodate York Region Transit at Don Mills Station.

BACKGROUND

YRT intends to operate certain bus routes to the Sheppard Subway which currently terminate at Highway 404 and Finch Avenue (Seneca College) and the York Regional Terminal at Finch Station.

DISCUSSION

In order to accommodate its passengers with a more direct connection to the subway, YRT has proposed the use of Don Mills Station as a terminus for these routes. As the Don Mills bus platform is a paid facility, YRT must drop off on street (i.e. outside the paid area) and use the Don Mills bus platform for pick up of passengers only. The intention of YRT is to operate these services from the new Don Mills Station on the Sheppard Subway starting November 25, 2002 in lieu of the current operating procedure.

Staff discussions resulted in the following negotiated terms and conditions with respect to an agreement for the use of Don Mills Station.

Term:

Five years commencing November 25, 2002 and terminating on November 24, 2007.

Option to Renew:

Subject to renewal option for an additional five year term under the same terms and condition save and except the Licence Fee and Maintenance costs which shall be negotiated between the parties.

Licence Fee:

YEAR	LICENCE FEE	MAINTENANCE COSTS	TOTAL ANNUAL FEE	QUARTERLY FEE
1	\$58,800	\$36,121	\$94,921	\$23,730.25
2	\$58,800	\$37,205	\$96,005	\$24,001.25
3	\$58,800	\$38,321	\$97,121	\$24,280.25
4	\$58,800	\$39,470	\$98,270	\$24,567.50
5	\$58,800	\$40,654	\$99,454	\$24,863.50

The considerations applied in the calculation of the Licence Fee are as follows:

- Bus Platform No. 6 is a non-exclusive use that secures the future use of the bay by the TTC at its option. Bus Platform No. 7 is exclusive to YRT use.
- The Licence Fee calculation is based on the fact that one additional Bus Platform (No. 7) was constructed as part of the Sheppard Subway project and the overall Don Mills bus terminal in order to accommodate YRT use. Accordingly, a portion of the capital cost to construct the terminal and a favourable rate of return formed the basis for calculating the Licence Fee.

Termination:

Either party shall have the right to terminate the agreement, without cause, on one year's notice to the other party.

Maintenance Costs:

The annual maintenance costs have been determined by Plant Maintenance and relate to the full use and occupation of Bus Platforms No. 6 and No. 7. Should the TTC exercise its option to utilize all or part of Bus Platform No. 6 for its own bus routes, then the

maintenance costs will be adjusted to reflect the TTC's use. The maintenance cost adjustments will be based on the relative proportionate use of the bus platform measured in terms of bus trips per 24-hour period on an average weekday.

JUSTIFICATION

Since the proposed terms are favourable to the TTC in comparison to similar agreements and will result in increased ridership to Don Mills Station, it is recommended that an agreement between the TTC and YRT be executed. YRT is to use the TTC facilities for pick up of passengers only.

November 20, 2002

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Attachment: Appendix "A" – Don Mills Station Bus Bay Assignments