

For Action with Confidential Attachment

Bloor-Yonge Capacity Improvements – Main Construction Property Acquisition Authorization

Date:June 16, 2021To:TTC BoardFrom:Chief Capital Officer

Reason for Confidential Information

This report is about a proposed or pending land acquisition or disposition of land for municipal or local board purposes.

Summary

The Bloor-Yonge Capacity Improvement (BYCI) project is a critical element in addressing capacity constraints on Lines 1 and 2 consisting of the following key components:

- New 2nd platform Line 2 (eastbound);
- Expansion of Line 1 northbound and southbound platforms;
- New electrical substation;
- New fan plants;
- Vertical circulation elements: escalators, elevators and stairs;
- Modified main station entrance and fare line; and
- New accessible entrance on Bloor Street.

This report provides an update to the October 22, 2020 Board Report and recommends further property acquisitions for the main construction works of the BYCI project.

On October 22, 2020, the Board approved the acquisition of property interests required for the construction of a new alternative accessible station entrance, emergency egress and an electrical substation for the early works of the BYCI project ("Early Works"). Construction for Early Works will begin in 2022, with the main BYCI project construction scheduled to commence in 2024. Negotiations for the Early Works properties are in progress and possession is estimated for Q1 2022.

Discussions with property owners for main construction requirements commenced in 2019. Currently, the design, construction staging, and phasing of the main construction works is being integrated with property owners' redevelopment plans at 2 Bloor St. East, 2 Bloor St. West, and 90 Bloor St. East.

The City of Toronto (the "City"), as represented by CreateTO, is the landlord of the demised lands located at 2 Bloor St. E. A large portion of the Bloor-Yonge Station will be expanded within 2 Bloor St. E., which is subject to a ground lease between the City and Brookfield Office Properties ("Brookfield"). For the construction of the modified accessible main station entrance, the TTC is working closely with CreateTO, who is facilitating the negotiations of the ground lease amendment on behalf of the City. This report requests Board approval to proceed to acquire the properties, and execute agreements required to enable the main construction works of the BYCI project.

Recommendations

It is recommended that the Board:

- Approve the property acquisitions set out in Attachment 1 Confidential Information and maintain confidentiality of the information until such time as the agreement(s) are executed with all the property owners; and
- 2. Authorize staff to request City Real Estate Management to negotiate the required temporary and permanent rights, and initiate expropriation proceedings if negotiations are unsuccessful.

Financial Summary

On April 16, 2019, City Council endorsed the BYCI project as a priority project under the City of Toronto's funding allocation of the Investing in Canada Infrastructure Plan (ICIP) Public Transit Infrastructure Fund (PTIF). Per the Preliminary Agreement between Toronto and Ontario, the Province committed to endorse the BYCI project as a priority project under the ICIP-PTIF2 program.

On August 26, 2019, the Government of Canada announced priority funding consideration would be given to the project and is setting aside \$0.5 billion in federal funding through the Public Transit Infrastructure Stream, subject to conditions being met, including final approval by the Treasury Board.

The total project cost for the BYCI project is currently estimated at \$1.514 billion, with \$1.5 billion to be funded equally by the City, the Province of Ontario and the Government of Canada.

City Council approved its funding share during the 2020 Budget process by allocating \$500 million in new funding from the City Building Fund in the TTC's 2020-2029 Approved Capital Budget and Plan. The City's funding enables the TTC to begin the necessary planning and preparatory work for this project.

TTC's 2021-2030 Capital Budget and Plan approved by the TTC Board on December 21, 2020 and by City Council on February 18, 2021 includes the the total project cost of \$1.514 billion with \$500 million funded by the City and a planned funding contribution of

\$500 million to be provided from the Provincial and Federal goverments, respectively, based on their commitments and subject to approval of a Stage 3 business case. The BYCI project's 2021 budget and future year cashflows includes sufficient funding for property acquisition as part of the early works requirements The estimated portion of the budget to acquire the properties required to complete the main construction works is provided in the Confidential Attachment.

The Interim Chief Financial Officer has reviewed this report and agrees with the financial impact information.

Equity/Accessibility Matters

The BYCI project is being designed to be accessible in accordance with the *Accessibility for Ontarians with Disabilities Act,* as amended 2005, as amended (AODA), the Integrated Accessibility Standards Regulation, O. Reg. 191/11 (IASR), and the Ontario Building Code.

Consultation with stakeholders and the Advisory Committee for Accessible Transit will be carried out once the design plans of the BYCI project has progressed past 30%.

Decision History

On April 15, 2016, Contract S85-42 Bloor-Yonge Station Capacity Enhancement was awarded to AECOM Canada Ltd. for the upset limit amount of \$4 million. AECOM's scope of work included the analysis of ridership and facilities at Bloor-Yonge Station, the development of a preferred concept and preliminary design for the expansion of Bloor-Yonge Station.

In May 2017, City Council requested the TTC to report on the status of plans to expand the Bloor-Yonge interchange station, including estimated costs, timelines and potential capacity added to Line 1. At that time, City Council also confirmed the expansion of the station as a priority project for Provincial and Federal funding.

On April 11, 2019, the Board approved the "Line 1 Capacity Requirements – Status Update and Preliminary Implementation Strategy", which outlined next steps to achieve capacity improvements and accommodate forecast demand on Line 1. The expansion of Bloor-Yonge Station was identified as one of the key components to address capacity of the subway system, which would accommodate passenger and transfer growth at that station.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_ meetings/2019/April_11/Reports/18_Line_1_Capacity_Requirement_and_Preliminary_I mplementatio.pdf

On April 16, 2019, City Council (EX4.1) endorsed the BYCI project as a priority project under the City's funding allocation of the Investing in Canada Infrastructure Plan (ICIP), Public Transit Infrastructure Fund (PTIF). Per the Preliminary Agreement between

Toronto-Ontario (EX9.1), the Province committed to endorse the project under the ICIP-PTIF2 program. On August 26, 2019, the Government of Canada announced priority funding consideration would be given to the project and is setting aside \$0.5 billion in federal funding through the Public Transit Infrastructure Stream, subject to conditions being met, including final approval by the Treasury Board. All three levels of government are expected to contribute \$0.5 billion towards the estimated \$1.5 billion project (Class 5). City Council approved funding for the municipal share in the 2020 budget process.

https://www.canada.ca/en/office-infrastructure/news/2019/08/getting-torontoniansmoving-making-crucial-investments-in-public-transit.html

On February 25, 2020, the Board authorized a contract amendment to AECOM for Contract S85-42 Bloor-Yonge Station Capacity Enhancement.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_ meetings/2020/February_25/Reports/5_Bloor_Yonge_Capacity_Improvements_Procure ment_Amendment_Au.pdf

On October 22, 2020, the Board authorized compensation to CreateTO for up to \$1.5 million from the approved BYCI project budget for their efforts to facilitate and project manage amendments to the existing ground lease at 2 Bloor St. E, as well as the acquisition of property requirements for the construction of the Early Works.

http://www.ttc.ca/About_the_TTC/Commission_reports_and_information/Commission_ meetings/2020/October_22/Reports/3_Bloor_Yonge_Capacity_Improvements_Early_W orks_Property_Acq.pdf

Issue Background

Early Works

Bloor-Yonge Station must remain operational for the duration of the BYCI project. An alternative accessible station entrance will be constructed prior to the reconstruction of the main station entrance, which allows the station to remain operational. The proposed electrical substation will increase load capacity and support the electrical demands for Bloor-Yonge Station. The additional emergency egress allows for timely and safe egress from Bloor-Yonge Station. Approval from the Board to acquire property interests for the new permanent alternative accessible station entrance, emergency egress and electrical substation ("Early Works") was obtained on October 22, 2020. Property acquisition negotiations for the required properties are currently underway.

Main Construction

The main construction portion of the BYCI project will include a modified main station entrance, a new accessible entrance on Bloor Street, emergency exits, fire ventilation systems, expansion to Line 1 northbound and southbound platforms, and a new eastbound platform for Line 2.

A large portion of the main construction work will occur within the 2 Bloor St. E. property, which is subject to a ground lease between the City and Brookfield. The City, as represented by CreateTO, is the landlord of the demised lands located at 2 Bloor St. E. Extensive co-ordination meetings between the TTC, CreateTO and all property owners impacted by the BYCI project have been ongoing since 2019. The ground lease of 2 Bloor St. E. will need to be amended to allow the construction of the BYCI project. The lease amendment will be forwarded to City Council by CreateTO later in 2021.

The TTC also intends to reconstruct, install and expand portions of the Bloor-Yonge Station, which, as currently designed, requires the relocation of Brookfield's existing chiller plant and associated systems, pipes and conduits within the leasehold lands. This chiller plant services the Hudson's Bay Centre and other adjoining lands. A separate Board report will request the award of the contract for the chiller plant relocation.

Comments

The property acquisitions, as outlined in the Confidential Attachment 1, are required prior to main construction works commencing in 2024.

Contact

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Signature

Gary Downie Chief Capital Officer

Attachments

Confidential Attachment 1 Figure 1. Bloor Yonge Station Footprint Figure 2. Line 2 Subway Platform Level Figure 3. Line 1 Subway Platform Level

SP#03078-31-491

Bloor-Yonge Capacity Improvements – Main Construction Property Acquisitions Authorization



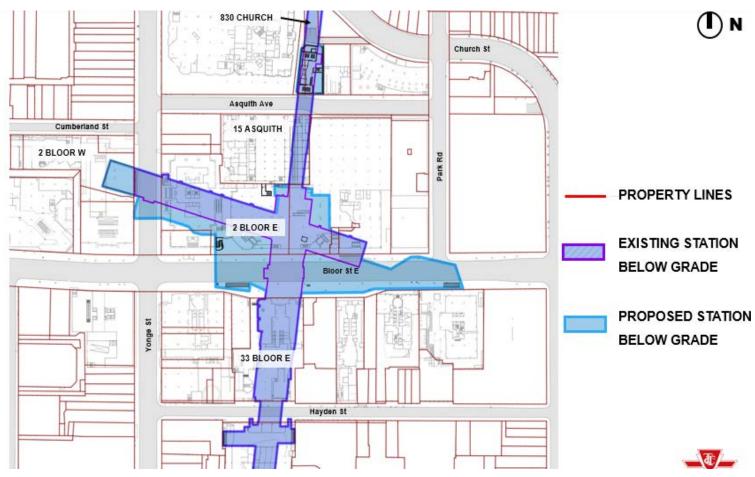




Figure 2. Line 2 Subway Platform Level



