

York Mills Station – Metrolinx Bus Terminal Licence Agreement

Date: May 18, 2022 **To:** TTC Board

From: Chief Capital Officer

Summary

The York Mills Station Metrolinx bus terminal licence agreement between the TTC and Metrolinx expired on April 4, 2022. This report seeks the Board's approval to negotiate and enter into a new licence agreement between the City of Toronto, on the TTC's behalf, and Metrolinx for the continued use by GO Transit of one of the TTC's two bus terminals at York Mills Station.

Recommendations

It is recommended that the Board:

1. Authorize staff to request the City of Toronto to negotiate and enter into a 10-year licence agreement with Metrolinx, with an option for a further 10-year extension, on the TTC's behalf, for the continued use of the bus terminal at York Mills Station by GO Transit, on terms and conditions summarized in this report, in a form acceptable to the TTC's General Counsel.

Implementation Points

A new licence agreement is required to set out the licence fee, maintenance and operating obligations of the bus terminal, as required between the City of Toronto, on the TTC's behalf, and Metrolinx.

In accordance with Corporate Policy 6.5.1 – Authorization for Expenditures and Other Commitments, Board approval is required for licences and leasing contracts having a term greater than 10 years. The initial 10-year term in the new agreement, in addition to the one, 10-year renewal option, will result in a cumulative term of 20 years, expiring in 2042.

Chapter 279 of the Toronto Municipal Code requires that where terms are greater than one year in length, the City of Toronto will enter into agreements on the TTC's behalf.

.

Financial Summary

The licence fee of the bus terminal is proposed as follows:

For the first year of the new agreement, from April 5, 2022 to April 4, 2023, Metrolinx will pay \$384,782.61, plus HST. This sum represents a 4.7% increase from the \$367,510.35 paid in the preceding year and will increase annually by the Consumer Price Index (CPI) for the Toronto Census Metropolitan Area, based on the December CPI rate of the previous year, in the new licence agreement and during the optional 10-year extension. The licence fee will be paid to the TTC and will be used to cover maintenance and operating costs.

The Chief Financial Officer has reviewed the report and agrees with the financial summary.

Equity/Accessibility Matters

A cornerstone of the TTC's Corporate Plan 2018-2022 is accessibility and as a proud leader in providing accessible public transit in the city of Toronto, we are committed to ensuring reliable, safe and inclusive transit services for all our customers.

A new licence agreement with Metrolinx will enable customers to continue seamless travel between the TTC subway station and the regional transit service options provided by Metrolinx at the bus terminal. There is an accessible indoor connection between the bus terminal and York Mills Station on Line 1 Yonge-University.

Decision History

At its meeting on November 20, 2002, the TTC Board approved entering into an agreement with Metrolinx for the use of the bus terminal for a period of 10 years, with an option for an additional 10-year extension, expiring on April 4, 2022.

<u>Lease Renewal – GO Transit York Mills Regional Bus Terminal</u>

Issue Background

On October 3, 1993, the Toronto Area Transit Operating Authority, commonly known as GO Transit, entered into an operating agreement with the TTC for use of the northernmost TTC bus terminal at York Mills Station, which is accessed from Yonge Street. The bus terminal was used solely for GO bus operations.

On April 5, 2002, GO Transit entered into a licence agreement with the TTC for the continued use of the aforesaid TTC bus terminal at York Mills Station. In 2009, GO

Transit merged with Metrolinx. On April 5, 2012, Metrolinx entered into a Licence Extension and Amending agreement with the TTC for the continued use of this bus terminal for GO bus operations. This agreement expired on April 4, 2022 and does not include an option for extension.

Metrolinx has advised that they wish to continue to operate GO bus service from this bus terminal, and therefore, a new licence agreement is required.

Comments

The City of Toronto, on behalf of TTC, and Metrolinx have negotiated the terms and conditions for a new licence agreement at York Mills Station.

The licence agreement has an initial term of 10 years, terminating on April 4, 2032, with a renewal option for an additional 10-year period, resulting in a cumulative term of 20 years, expiring in 2042. Either party will have the right to terminate the licence with six months notice.

Metrolinx will be responsible for the general maintenance and security of the terminal throughout the term of the licence agreement. This provision is carried over from the 2002 licence agreement.

The execution of the new licence agreement between the City and Metrolinx will allow Metrolinx to continue operating without service interruption. It is therefore recommended that the Board authorize staff to request the City to negotiate and enter into a new licence agreement, on the terms and conditions described above.

Contact

Pamela Kraft, Head – Property, Planning and Development 416-590-6108 pamela.kraft@ttc.ca

Signature

Gary Downie Chief Capital Officer

03078-31-531