



## **Transit Network Expansion Update**

**Date:** July 17, 2024  
**To:** TTC Board  
**From:** Chief Capital Officer

### **Summary**

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As a leading transit operator carrying 396 million trips annually in 2023 and backed by more than 100 years of institutional knowledge, the TTC is contributing its considerable expertise to expand the TTC network while centring TTC customers in all of our services.

Working across operations, maintenance, engineering, communications, and strategy disciplines, the TTC and Metrolinx teams are collaboratively developing the expanded service for the transit system of the City: an integrated, accessible, safe transit network seamlessly interfacing with the existing network and connecting TTC customers with all of the mobility options within the City of Toronto, and neighbouring municipalities.

The TTC's commitment to transparency and accountability is evidenced through timely, accurate and complete reporting on the status of the TTC's transit expansion work. Relevant to the TTC's ongoing work to support the delivery of the provincial Subway Program is an update on the City of Toronto's negotiation with the Province of Ontario on the Subway Program Agreement in Principle. Attachment 1 is provided for information and discussed in this report.

### **Recommendations**

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It is recommended that the TTC Board:

1. Receive this report as a general update on transit expansion projects.
2. Subject to the City of Toronto entering into the Subway Program Agreement in Principle, the Board authorize the TTC Chief Executive Officer, or designate, to negotiate and execute any such necessary ancillary or related agreements, amendments and renewals with any other relevant parties, including a Subway Main Agreement, for the implementation of the Subway Program, all substantially in accordance with the Subway Program Agreement in Principle, in a form satisfactory to TTC General Counsel.

3. Subject to the City of Toronto entering into the Subway Program Agreement in Principle, the Board authorize the TTC Chief Executive Officer to negotiate the Operations and Maintenance Agreement(s) for the Subway Program with any other relevant parties and report back to the Board on recommended terms and conditions for Board approval.

## **Financial Summary**

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### **Provincial Light Rail Transit Program**

The Ontario-Toronto New Deal Agreement, approved by City Council on December 13, 2023, included the financial supports provided from the Province to the City under the terms of the New Deal for Operating Support (\$110 million annually over three years) for the provincially owned Line 6 (Finch West LRT) and the Line 5 (Eglinton Crosstown LRT). Funding will support mobilization activities leading up to the revenue service date, as well as operating and maintenance costs once the lines enter into revenue service, which includes labour costs for staff to operate the lines as well as non-labour costs, such as traction power, utilities and maintenance through a third-party contract. This Agreement provides provincial funding support for a three-year term from 2024 to 2026. Future funding for transit operations of these lines will be discussed in the next round of the New Deal discussions with the Province.

### **Provincial Priority Subways Program**

#### *Planning and Development Phase Cost Recovery*

In 2019, the Province enacted a regulation (O. Reg 248/19) that designates the Scarborough Subway Extension, Yonge North Subway Extension, and Relief Line South and North (now Ontario Line) as 'sole responsibility projects' of Metrolinx.

In November 2023, the Province and the City of Toronto entered into a New Deal Agreement, which included a commitment to advance the delivery of the Provincial Priority Transit Projects. As part of this commitment, the City and the TTC have been working with the Province to finalize the negotiations on the Subway Program Agreement-in-Principle (AIP). The City's final recommended term sheet on the AIP is discussed below, and is included as Attachment 1 for information. The AIP term sheet is being considered by the City of Toronto's Executive Committee on July 16, 2024, and then City Council on July 24-26, 2024.

#### *TTC's Project Assurance Responsibilities*

At the November 22, 2023, TTC Board Meeting, the TTC Board adopted the recommendation to delegate authority to the Chief Financial Officer to authorize additional positions to flexibly respond to the resource requirements of the Metrolinx Subway Program. Complement and gross expenses for the additional 16 new positions under this delegated authority will be reported as part of first quarterly variance report in 2024.

The TTC continues to actively work with Metrolinx to identify necessary resources to support the Provincial Priority Subway Program based on the program schedule updates provided by Metrolinx. In February 2024, an additional 16 net new positions were approved by Metrolinx providing a total of 81 positions dedicated to the TTC's project assurance function for the Metrolinx Subway Expansion Program. The cost of approved Project Assurance resources are fully funded by Metrolinx.

*Service Disruption Policy and the Recovery of Additional Operating Costs*

As construction activities associated with the subway expansion program increase, some TTC regular service will be disrupted by streetcar track and/or subway closures. On these routes, the TTC will require additional vehicles or bus replacement service to maintain service levels for customers, which will result in additional operating costs. Metrolinx and TTC staff are working on a policy that will outline processes and eligible costs for reimbursement. At this time, the TTC expects that service disruption costs will be funded by Metrolinx.

*Line 3 Bus Replacement Program*

As reported to the Board at its meeting on February 22, 2024, the construction estimate for the SRT Busway project increased from a 30% design estimate of \$55.7 million to \$67.9 million based on the completion of 60% design. The \$67.9 million funding requirement has been accommodated through a reallocation of permanent savings of \$12.2 million from the SRT Life Extension SOGR and Phase 1 of the Line 3 Bus Replacement infrastructure projects, as well as \$55.7 million originally intended for property procurements required for the Line 1 Capacity Enhancement project.

The 2024-2033 Capital Budget and Plan that was approved by the Board on December 20, 2023 was revised as a result of City Council's approval of the reallocation of funds at its meeting on February 14, 2024, as outlined in Table 1 below:

**Table 1: 2024-2033 Capital Budget and Plan**

2024-2033 Capital Budget and Plan (\$ Millions)	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033	10-Year Total
December 20, 2023 Board Approved	1,368.7	1,779.2	1,341.8	1,284.1	1,213.4	1,216.1	1,126.3	1,135.2	1,001.9	931.1	12,397.7
Adjustments:											
SRT Life Extension / Transition Savings		(12.2)									(12.2)
Line 1 Capacity Enhancement Reallocation					(55.7)						(55.7)
Busway Construction Costs	8.7	25.0	22.2	12.0							67.9
Total Adjustments	8.7	12.8	22.2	12.0	(55.7)						-
<b>Council Approved Capital Budget and Plan</b>	<b>1,377.4</b>	<b>1,792.0</b>	<b>1,364.0</b>	<b>1,296.1</b>	<b>1,157.7</b>	<b>1,216.1</b>	<b>1,126.3</b>	<b>1,135.2</b>	<b>1,001.9</b>	<b>931.1</b>	<b>12,397.7</b>

The cost of this project will not be final until design reaches 100% and City staff have committed to work with the TTC to identify funding that may be required to address any resultant increases. In accordance with the Board's previous recommendations and City

Council's directions, including the most recent approval on February 14, 2024, TTC staff were directed to continue working with City staff to seek Provincial funding to recover the costs of this project through the Subway AIP negotiations. On June 14, 2024, the Province confirmed to the City that they will not set aside funds for the SRT busway.

### *SRT Infrastructure Decommissioning and Demolition*

The decommissioning and demolition of the SRT infrastructure is a distinct project from the Line 3 Bus Replacement Program. The City and CreateTO are currently evaluating options for an adaptive re-use of elements of the existing SRT infrastructure in accordance with Council direction.

Depending on the outcome of the adaptive reuse study, should a decision be made to proceed with decommissioning and demolition of the remaining Line 3 infrastructure, the cost and scope would need to be updated. A high-level estimate done in 2018 for the cost of decommissioning and demolition of the SRT infrastructure is in the range of \$150 million to \$175 million and is currently unfunded. The City requested the Province to be responsible for the full cost of the SRT infrastructure decommissioning and demolition. The Province on June 14, 2024, advised they would only fund the portion necessary to facilitate the construction of the SSE. Further information will be reported on the City's study once available.

### **City Priority Expansion Projects – Eglinton East LRT and Waterfront East LRT**

#### *Eglinton East LRT (EELRT)*

The Eglinton East LRT project is led by the City of Toronto in partnership with the TTC, and the TTC has no approved funding for the construction of this project. Through the City's [Advancing Eglinton East Light Rail Transit](#) report to City Council on December 13, 2023, approximately \$0.75 million was identified and approved for TTC staff resources required to advance the work program in 2024, including support for the project-specific Transit and Rail Project Assessment Process, as well as advancing the 30% design of the project.

#### *Waterfront East LRT (WELRT)*

The TTC's 2024-2033 Capital Budget and Plan, as approved by the TTC Board on December 20, 2023 and by City Council on February 14, 2024, only includes funds for the Preliminary Design and Engineering (PDE) phase (30% Design) of the WELRT project. The total approved budget for the TTC's current scope of work for the WELRT project is \$27 million, of which approximately \$19.6 million has been committed to date.

City Council approved the report, [Advancing Waterfront East Light Rail Transit](#), on November 8, 2023, advancing the 60% design for the full Waterfront East Light Rail Transit project from Queens Quay to Villiers Loop; this includes all Segment 2 and 3 components as well as the Yonge Street Infill and Queens Quay East Extension early works.

The TTC is currently not advancing the scope of work for the Segment 1 component, which provides the required capacity and operational improvements to the Union Station Loop and the existing TTC streetcar tunnel, pending further funding commitment and approval, as the procurement strategy for Segment 1 will require full funding commitment for the segment to proceed.

### *RapidTO*

The current RapidTO program funded in the TTC's 2024-2033 Capital Budget and Plan will deliver service enhancing transit priority measures on five of the busiest bus corridors in the city. In addition to the already delivered Eglinton East corridor, this includes Jane Street (from Eglinton Avenue to Steeles Avenue), Dufferin Street (from Dufferin Gate to Wilson Avenue), Steeles Avenue West (from Yonge Street to Pioneer Village Station), Finch Avenue East (from Yonge Street to McCowan Road), and Lawrence Avenue East (from Victoria Park Avenue to Morningside Avenue).

Funding of \$30.4 million is approved in the TTC's 2024-2033 Capital Budget and Plan to implement this part of the RapidTO program, of which \$3.4 million has been spent as of the end of 2023. As part of the broader study with the City through the Surface Transit Network Plan, there is approximately \$100.1 million that is unfunded to apply RapidTO treatment on other busy corridors in the Plan.

Funding of \$4.875 million is approved in the City's 2023-2032 Capital Budget and Plan to commence feasibility studies and designs of the Surface Transit Network Plan priority roadways. This existing funding allotment is estimated to be sufficient to study and design approximately eight-to-nine roadways.

As progress on the Surface Transit Network Plan advances, subsequent funding requests will be made in future capital submissions by the City of Toronto Transportation Services and the TTC to study, design, and implement additional priority roadways.

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

### **Equity/Accessibility Matters**

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As a proud leader in providing accessible and reliable public transit to the residents in Toronto and surrounding municipalities, the TTC believes that all customers should enjoy the freedom, independence and flexibility to travel anywhere on its transit system. Expanding the TTC's transit network through this program will reduce travel times and create greater transit equity, contributing to wider access to jobs, education, healthcare, community services and other opportunities.

Upon the completion of the projects described in this report, all of the city's Neighbourhood Improvement Areas (NIAs) will be within walking distance or a short bus/streetcar ride to connect to rapid transit.

All new stations, including interchange stations and connections to existing TTC facilities, will be designed to be accessible and in accordance with the Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and the Ontario Building Code. All rapid transit stations will be also designed to provide connectivity with TTC Wheel-Trans, broadening the Family of Services.

As requested by the Board, Metrolinx has committed to conduct meaningful consultation with the TTC's Advisory Committee on Accessible Transit (ACAT) as part of the Project Specific Output Specification (PSOS) review and design review for all projects within the provincial programs. This process began in August 2021 when ACAT's Design Review Subcommittee was consulted on the subway program accessibility requirements to be included in each subway project PSOS as well as specific requirements and early concept designs for the stations to be built as part of the Ontario Line project. Over the past three years, additional consultations have been held on various other Metrolinx rapid transit projects, and ACAT consultation is expected for other projects over the coming year.

The TTC will continue to ensure ACAT receives briefings on issues of concept of operations and accessibility as the projects progress. The TTC is committed to ensuring ACAT is fully aware and consulted on issues of accessibility, and that the consultation is provided to Metrolinx to help inform planning and delivery.

## **Decision History**

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The following links contain the detailed transit network expansion updates that were presented to the TTC Board at its meetings on February 10, 2021, September 15, 2021, February 10, 2022, July 14, 2022, February 28, 2023, and November 22, 2023, respectively:

[February 10, 2021 Transit Network Expansion Update](#)

[September 15, 2021 Transit Network Expansion Update](#)

[February 10, 2022 Transit Network Expansion Update](#)

[July 14, 2022 Transit Network Expansion Update](#)

[February 28, 2023 Transit Network Expansion Update](#)

[November 22, 2023 Transit Network Expansion Update](#)

On February 22, 2024, the TTC received a [City Council Transmittal – CC13.2 Ontario-New Deal Agreement](#), and the TTC Board adopted the recommendations and directed the implementation of the City's commitments in the New Deal Term Sheet as it relates to the TTC, and directed TTC staff to engage in negotiations with respect to future transit commitments, including operations and maintenance funding, the subway agreement in principle, and continued use of the provincial fare card system, at the

appropriate time, with a view to achieving terms that are acceptable and in the best interests of the City of Toronto and the TTC. [Decision Link](#)

**Issue Background**

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The TTC continues to work with key partners, including Metrolinx, Infrastructure Ontario, York Region, and key divisions at the City to advance the transit expansion projects outlined in the report that will grow Toronto’s transit network in the next decade. As the network operator, the TTC is responsible for customer experience and for a seamless end-to-end customer journey during transit expansion project delivery and once the new transit line opens for service.

Transit expansion programs, such as the Provincial Priority Subway Program and Provincial LRT Program, are governed by a Toronto-Ontario Governance Framework, which includes a Toronto Transit Executive Committee with executive-level representation from the TTC, City of Toronto, Metrolinx, Infrastructure Ontario, and the Ministry of Transportation. Program and project-level steering committees have also been established to provide co-ordination and oversight of the work. The TTC uses these forums to advance the interests of the TTC in accordance with Board direction.

**Comments**

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**Toronto Rapid Transit Network Expansion**

Major expansion and capacity improvements to the TTC network are underway. Key programs and projects are highlighted in Table 2 and Figure 1 below:

**Table 2: Rapid Transit Network Expansion Programs and Projects**

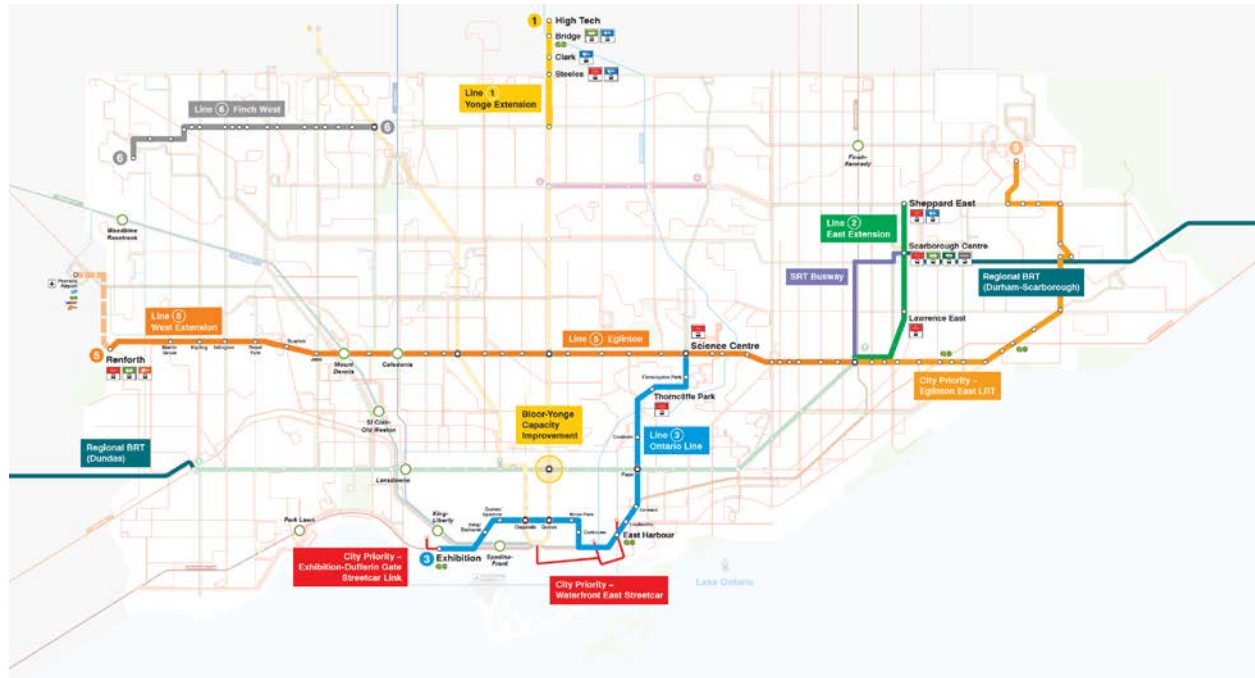
Program	Project	TTC Line	Current Phase	Anticipated In-Service
Provincial LRT Program	Eglinton Crosstown	Line 5 Eglinton	Construction	TBD*
	Finch West LRT	Line 6 Finch West	Construction	TBD*
Provincial Priority Subway Program	Ontario Line	Future Line 3	Planning/Procurement /Construction	TBD*
	Scarborough Subway Extension	Line 2 Bloor-Danforth	Advance Tunnel Contract: Construction; Stations/Rail/Systems: Awarded November 2022.	2030*

<b>Program</b>	<b>Project</b>	<b>TTC Line</b>	<b>Current Phase</b>	<b>Anticipated In-Service</b>
	Yonge North Subway Extension	Line 1 Yonge-University	Advanced Tunnels Contract: Procurement Stations/Rail/Systems: Planning Finch Early Works: Project Close Out	TBD*
	Eglinton Crosstown West Extension	Line 5 Eglinton	1st Advance Tunnel Contract: Construction; 2nd Advance Tunnel Contract: Procurement Elevated Guideway Contract: Procurement Stations/Rail/Systems, Planning	2030-2031*
Provincial Subway Program	Line 4 Sheppard East Extension	Line 4	Initial Business Case development	TBD*
Eglinton East LRT		Line 7 Eglinton East	Preliminary Design and Engineering	TBD
Waterfront Transit	Waterfront Transit – Waterfront East	Various streetcar routes	Preliminary Design and Engineering	2030-2031
	Waterfront Transit – Exhibition Loop-Dufferin Gate Loop	Various streetcar routes	Preliminary Design Project on hold pending evaluation of Ontario Line impact	TBD
Bus Rapid Transit (BRT)	Durham-Scarborough BRT	Various TTC and regional bus routes	Preliminary Design	TBD
	Dundas BRT	Various TTC and regional bus routes	Concept Definition	TBD

\*Based on schedule provided by Metrolinx



**Figure 1: Rapid Transit Network Expansion Programs and Projects**



### **Provincial LRT Program – Line 5 Eglinton**

The TTC continues its operational readiness planning for revenue service, and is in active conversations with Metrolinx to refine the actual opening date. The TTC’s operational readiness continues to be on track with hiring and training of the various positions that are required to support the operations of Line 5 Eglinton.

The TTC is working closely with Crosslinx Transit Solution (CTS) to assist with line operation testing and stability. Due to the TTC’s Instructors in-depth operational knowledge and experience, significant feedback is being provided to project partners to improve the readiness of the line and the readiness of the training programs for Instructors and Operators.

As the ECLRT project progressed in 2023 and Q1/Q2 2024, the TTC’s supporting effort to the project has increased in order to prepare TTC operating staff for the system’s eventual revenue service operation. Part of the effort involved is working collaboratively with Metrolinx and CTS to perform due diligence reviews of testing and commissioning reports and safety documentation to ensure the system’s readiness and safety for the TTC’s Instructor and Operator Link training activities.

The TTC is continuing to work closely with Metrolinx and CTS as commissioning and testing progresses. As of the June 2024, more than 94% of the post installation check outs (PICO) and site acceptance tests (SAT) have been completed. Site integration testing (SIT) has not progressed at the same rate, with 84% of the SIT having been completed for the facilities and 44% completed for systems. The TTC is also working closely with Metrolinx and CTS on the safety certification process. Currently, the TTC is engaged in reviewing the project hazards identified in the project mishap register to ensure all mitigations are in place before mitigation transfers are accepted.

The negotiation of the Train Operating and Funding Agreement (TOFA) was completed with Metrolinx, the TTC and the City of Toronto signing the full agreement in August 2023. It was agreed at the time of that signing that any new evolving or operational activities that had an incomplete concept would be finalized prior to the start of revenue service within the TOFA. In addition, the TOFA will be amended to reflect any new concepts negotiated in the Train Operator Services Agreement (TOSA) for Line 6, to ensure consistency among both agreements prior to commencement of revenue service.

### **Provincial LRT Program – Line 6 Finch West**

The TTC has initiated mobilization efforts to integrate Line 6 Finch West into the TTC network, and is in active conversations with Metrolinx to refine the actual opening date. The TTC has been extensively involved in activities, such as design reviews and operational planning.

The TTC is currently working closely with Metrolinx to ensure the TTC's operational readiness activities are integrated into the overall project schedule developed by Mosaic Transit Group (MTG).

Additional operational readiness activities that the TTC is actively engaged with include:

- Dedicated Instructor staff for Line 6 who are assisting with vehicle testing and commissioning.
- TTC staff leading the development of Operator/Driver training program for Line 6 to assist project partners.
- Participating in Engineering Technical reviews as it relates to operating systems and operating environment.
- Assisting Project Company (Project Co) with the development of Rule Book and SOPs for Line 6.

The TTC, City of Toronto and Metrolinx successfully completed negotiations of the Train Operating and Services Agreement (TOSA) for Line 6 Finch West, which was officially signed off and executed by all three parties in May 2024. The executed Line 6 TOSA forms the basis of the TTC's obligations as the "Operator" of Line 6, and will be administered for the TTC by the LRT Operations Department.

### **Provincial Priority Subway Program**

In April 2019, the Province of Ontario announced a new priority subway plan that includes four projects, collectively known as the Provincial Priority Subway Program:

- Yonge North Subway Extension (YNSE) project (Line 1 Yonge Extension);
- Scarborough Subway Extension (SSE) project (Line 2 East Extension);
- Ontario Line (OL) project (which will become the new Line 3); and
- Eglinton Crosstown West Extension (ECWE) project (Line 5 Eglinton West Extension).

As the network operator, the TTC must provide a seamless and reliable customer journey. This will include a consistent fare payment experience, as well as wayfinding, and an overall seamless customer experience that is consistent across the TTC network.

### *Subway Program Agreement in Principle (AIP)*

In February 2020, the City and Province reached a Preliminary Agreement ([link](#)), which established the scope of the Province's Priority Subway Program and outlined high-level roles and responsibilities of the City and the Province for the planning, delivery, operations and ownership of the Subway Program. The parties agreed to further develop an implementation framework through an Agreement in Principle with a commitment in the recent New Deal Agreement, to complete the Subway Program AIP by Q2 2024.

The City of Toronto has concluded negotiations with the Province. The TTC was consulted on the AIP Term Sheet. Attachment 1 of this report provides the term sheet recommended by City staff to the July 16, 2024, meeting of Executive Committee and subject to Executive Committee approval, to the July 24-26 meeting of City Council.

The AIP Term Sheet (Attachment 1) outlines the following with respect to funding obligations and roles and responsibilities on the four subway projects:

- The Province is responsible for funding 100% of the capital cost of the Subway Program and the City will not be responsible for funding any capital cost of the Subway Program (Term 7.1).
- The Province will retain all development revenue associated with the Program (Term 9.4).
- The Province will own all assets in the Projects, except for the SSE and YNSE rolling stock, or other assets otherwise agreed to by the City and the Province. The Province has agreed to fund the purchase of the SSE and YNSE rolling stock, which will be owned by the TTC (Term 8.1).
- The TTC sets fare policy and plans and sets service levels for the Subway Program (Term 9.8 and 9.15, respectively).
- The TTC is the operator of YNSE, SSE and Eglinton Crosstown West Extension, and suggests further discussions on specific functions of the TTC's role as operator on the Ontario Line (Term 9.14).

Through the [Ontario-Toronto New Deal](#), the Province and the City agreed to undertake a longer-term targeted review of the City's finances, to be completed by 2026. To allow for these discussions to occur, the AIP defers many decisions on roles and responsibilities for operating and maintenance costs until the targeted review is completed. As the City prepares for the next phase of negotiation under the New Deal Agreement, the TTC continues to advise on its continued heavy reliance on farebox revenues to cover the costs of operations, and the need for diverse revenue sources to support transit operations and maintenance costs.

The City and Province agreed that “the Farebox Revenue and Non-Farebox Revenue will be used to defray operations and maintenance costs for the Projects” (Term 9.2). Consistent with our current funding approach, farebox and non-farebox revenue will continue to be used to partially offset the gross costs to operate and maintain the lines. The TTC will continue to provide advice to the City on its ongoing negotiations under the New Deal, on funding responsibilities for transit operations and maintenance, and the net operating subsidy required.

The TTC will be directly involved in negotiations on detailed Operations and Maintenance Agreements on the Subway Program with the City and Metrolinx. Ensuring seamless integration of the new subway projects being delivered by Metrolinx with the existing TTC network is a core overarching objective that will guide the TTC’s efforts. This includes consideration for integration of new lines with the TTC’s Transit Control Centre, wayfinding and other elements of the customer experience. Updates on key agreements will continue to be reported to the Board through these regular update reports.

Additional program updates since the previous Transit Network Expansion Board report are provided below:

## **Open Works in Progress**

### **Wayfinding and Branding**

The TTC Signage and Wayfinding Standards have been designed to provide the best possible customer experience for TTC customers and meet Accessibility for Ontarians with Disabilities Act, 2005 (AODA) and Ontario Building Code (OBC) requirements. The standards draw guidance from the Canadian Standards Association (CSA) and the International Organization for Standardization (ISO) guidelines, and incorporate existing TTC operational requirements, while anticipating the requirements for future expansion projects. Since 2012, the TTC has been implementing one consistent standard across the entire TTC network.

These Standards have been made available to expansion project design teams under the guidance of Metrolinx. Their delivery of future transit expansion to the TTC system must provide an optimum customer experience that is consistent throughout the network. The Standards have been designed with this objective in mind and TTC staff will continue to support Metrolinx, as required, to reach this goal, and to ensure that the provincially funded extensions and expansions to the TTC transit network have wayfinding and branding that is consistent with the rest of the TTC system.

In particular, TTC staff are working to get a commitment from Metrolinx staff to ensure that TTC logos, wayfinding and signage will be featured appropriately on provincially owned stations in the TTC network to ensure seamless and safe operation. The intent is that an interim solution will be agreed to for Line 5 Eglinton in time for the opening of this line, and with a final agreed solution to be applied to Line 6 Finch West and to the four provincial subway projects listed above.

## Comments on Innovation and Sustainability

The TTC's Innovation and Sustainability Group is working closely with Metrolinx and the City to identify future-proofing requirements are included in the design for all the new build Transit Expansion projects. Specifically, requirements include provisions for eBus electrification infrastructure that would enable on-route charging and/or backup charging locations at a minimum. More broadly, the City's Transform TO Net Zero Strategy has been cited as a source for requirements that will reduce community-wide greenhouse gas emissions in Toronto to net zero by 2040.

The TTC will continue to co-ordinate with Metrolinx and other peer agencies to ensure that innovation and sustainability initiatives will be considered for all Transit Expansion projects.

### Public Washrooms

The TTC continuously strives to make improvements to the customer experience, especially in areas of universal access. Through our experience with consulting with customers, especially those with accessibility needs, we updated the TTC's design standard for the construction of new rapid transit stations to include public washrooms for customers. While the TTC has provided this requirement to Metrolinx to include as part of the Subway Program, Metrolinx has determined that public washrooms would only be provided at interchange and end-of-line stations, as per Metrolinx design standard. Discussions to convince Metrolinx of the importance of having modern rapid transit stations be more accessible and inclusive to customers were unsuccessful. Metrolinx has stated multiple times that they are proceeding with the decision on the issue.

The following table lists the stations where Metrolinx will provide public washrooms:

	Station	Public Washroom Provided
<b>Line 1 Yonge Extension</b>	Steeles-Yonge	Yes
	Clark	No
	Royal Orchard	No
	Bridge	Yes
	High Tech	Yes
<b>Line 2 East Extension</b>	Lawrence East	No
	Scarborough Centre	Yes
	Sheppard East	Yes
<b>Ontario Line</b>	Science Centre	Yes
	Flemington Park	No
	Thorncliffe Park	No
	Cosburn	No
	Pape	Yes
	Gerrard	No
	Riverdale-Leslieville	No

	Station	Public Washroom Provided
	East Harbour	Yes
	Corktown	No
	Moss Park	No
	Queen-Yonge	No
	Osgoode	Yes
	Queen-Spadina	No
	King-Bathurst	No
	Exhibition	Yes

**Operations and Maintenance Roles and Responsibilities**

The TTC and Metrolinx are engaged at the working group level to define roles and responsibilities relevant to the performance of maintenance and operations functions of the Subway Program.

Based on work to date, the TTC will operate and maintain the infrastructure, and the fleet for the SSE and YNSE. The TTC’s roles and responsibilities for ECWE is expected to be consistent with Line 5 Eglinton. For the Ontario Line, discussions on Operations and Maintenance roles and responsibilities are currently taking place at the working group level between the TTC and Metrolinx within the transit expansion governance framework.

The outputs of this work will inform the development of detailed Operations and Maintenance Agreements between the TTC and Metrolinx for the lines.

**Line 3 Bus Replacement Program**

The complete suite of transit priority measures for the Line 3 bus replacement service has been fully implemented since November 19, 2023. This includes bus priority lanes, transit signal priority, new and expanded bus stop pads, intersection improvements (including queue jump lanes), and bus terminal improvements. Effective February 18, 2024, the north side of Kennedy Station’s Platform A was closed for construction related to Metrolinx’s Scarborough Subway Extension. As a result, most routes on the north side of Platform A were reassigned to the new bus bays on the east side of Platform B. This closure will be in place until Q4 2026 when that phase of Metrolinx construction is expected to be complete.

**Provincial Priority Subway Program Status Updates**

**Ontario Line (OL) Updates**

*Queen Streetcar Diversions*

The construction at Queen Station for the Ontario Line will require the long-term closure of Queen Street, between Bay Street and Yonge Street, and between Yonge Street and Victoria Street. In order to minimize the inconvenience to customers, TTC, City and

Metrolinx staff are working collaboratively to restore streetcar tracks southbound on York Street (between Queen Street and Adelaide Street) and eastbound on Adelaide Street (between Charlotte Street and Victoria Street). This will allow the TTC to operate a diversion for customers that is as close to Queen Street as possible, will not require the need for long-term shuttle buses, and will provide necessary resiliency for streetcar service on King Street. The diversion for the streetcar service on Queen will be westbound via Church, Richmond, York to Queen; and eastbound via York, Adelaide, Church to Queen on the new restored streetcar tracks.

The restoration of all the required infrastructure will be funded by Metrolinx, as reported to the Board in the [February 10, 2022 Transit Network Expansion Update Report](#).

The TTC committed to deliver the first phase of this project, which includes the installation of tracks on Adelaide Street from Charlotte Street to York Street. This track work was substantially completed in late 2022. Construction on the remaining portion of the work from York Street to Church Street commenced in Q2 2023, including track installation, which commenced in Q4 2023. The York Street portion of the detour was awarded by Metrolinx in Q4 2023 with track installation having commenced on April 1, 2024. The TTC is working closely with Metrolinx and the City on accelerating the construction schedule of the detour civil and streetcar track construction work to reduce the duration of shuttle bus service.

#### *Pape Station Advanced Works*

The construction of the Ontario Line North Civil works requires alterations to Line 2's Pape Station to accommodate the new interchange station between Line 2 and the Ontario Line. An advanced work contract to demolish a portion of the existing station and to relocate existing utilities was awarded by Metrolinx in Q4 2023. Demolition and utility works will commence in Q2/Q3 2024.

#### *Pape Station Support of Excavation (SOE) Works*

The construction of the Pape interchange station requires deep excavations below the existing alignment of Line 2. An SOE contract was awarded by Metrolinx in Q1 2024 to commence installation of the SOE system as well as the excavation required for future construction.

#### *Osgoode Station Works*

The construction of the Osgoode interchange station requires the permanent closure and demolition of the northeast entrance structure. Closure of the entrance is commenced in Q2 2024.

#### *Queen and Osgoode Utility Relocation Works*

Metrolinx has awarded a utility relocation contract for the Queen Street corridor between Victoria Street and University Avenue and along University Avenue to accommodate future construction of the Queen and Osgoode interchange stations. Utility relocation



work is scheduled to be completed by Q2/Q3 2024. SOE work will commence shortly after utility relocation work is completed.

### *Lakeshore East Joint Corridor*

Metrolinx awarded an early works contract in Q1 2023. The early works project involves the expansion of the existing Metrolinx Lakeshore East rail corridor. The project scope includes the widening of the rail corridor for a fourth GO track and two Ontario Line tracks, replacement of existing GO bridges at Queen Street East, Dundas Street East and Logan Avenue, and new Ontario Line bridges at Dundas Street East and Logan Avenue. Prior to award of this early works contract, the TTC is working closely with Metrolinx to undertake the permanent relocation of existing aerial Traction Power Cable (TPC) to underground, including construction of a new duct bank and two chambers at Queen Street Bridge, connection points, post connections and other work derived from the TPC relocation as well as permanent pole relocations at Queen Street Bridge.

The TTC has been assisting Metrolinx and their early works contractor with removal, reinstatement and temporary and permanent support of the Overhead Contact System (OCS) cables to facilitate bridge works at Queen Street Bridge. This work includes the installation of new bridge mount for OCS cables to the new bridge on Queen Street. Two Temporary TTC pole relocations, and removal of existing poles at Gerrard Street Bridge, will also be required.

The Lakeshore East Joint Corridor related work described above will require periodic short-term and extended shutdowns of the Queen East streetcar tracks. Bus replacement services will be required during the periods when streetcar tracks are non-operational. Co-ordination of the replacement bus service is currently ongoing between the City, Metrolinx and the TTC.

## **Scarborough Subway Extension (SSE) Updates**

### *Kennedy Station Works*

As part of the Kennedy Enabling Work (KEW) under the Scarborough Subway Extension (SSE) Project, a new West Ventilation Fan Plant (WVFP) will be added to the west of Kennedy Station above the existing Line 2 tunnel structure. Early works to relocate the existing infrastructure has already started and work is in progress with anticipated completion in Q3 2026.

KEW Temporary 4 Bay Bus Terminal has been completed and handed over to the TTC on February 18, 2024. At the same time, northside bus bays have been handed over to Metrolinx to facilitate the construction of Tunnel Ventilation System Electrical Building (TVSEB) adjacent to the existing Track Power Sub-Station (TPSS) on the northside of Kennedy Station.



### *Advanced Tunnelling Work*

The tunnel boring machine (TBM) was launched on January 16, 2023 from the launch shaft at Sheppard/McCowan, and the tunnelling work is anticipated to take approximately two years to complete – as per the updated tunnelling schedule, completion is in August 2025.

### *Station Rail Systems (SRS) Work*

The TTC is working closely with Metrolinx and the SRS Contract Development Partner.

### *Station Planning*

The TTC, City of Toronto, York Region and Durham Region are working with Metrolinx to design new bus terminals and on-street bus connections at the future Scarborough Centre and Sheppard-McCowan stations.

**Scarborough Centre:** This station has been planned as part of the Line 2 East Extension as far back as 2013. Over the years, this station has always been identified as a focal point in the transit network and would require an adequately sized bus terminal to accommodate the future transit network plan. This requirement was made clear to Metrolinx since 2019 when the project was uploaded. However, the proposed designs have consistently fallen short of the TTC's requirements. The TTC has made numerous attempts to collaborate with Metrolinx and other stakeholders to achieve an optimized design, from the number of bus bays and layover spots to the design features of the terminal. Yet the current design being advanced by Metrolinx still provides a suboptimal plan for TTC operations.

Guided by projected needs of the future transit network, and the TTC's Service Standards and Design Manual, the TTC requested 17 dedicated bus bays at the new Scarborough Centre Station. This will accommodate customer demand and growth, and will support resilient operations at the new bus terminal. Metrolinx, citing site constraints and the need to deliver new development as part of the project ("Transit Oriented Communities" or TOC), is recommending a design that only has 11 bays dedicated to the TTC. This deficiency will mean multiple bus routes would be forced to share a single bay leading to customer crowding on the bus platforms and slower, less convenient service overall. The limited accesses in the design will mean more circuitous routing and longer travel times for customers and higher operating costs for the TTC.

The TTC remains committed to finding a viable solution with Metrolinx to refine the design of the station.

**Sheppard-McCowan:** The design of this station will include a bus terminal that accommodates future TTC, Durham Region Transit, and York Region Transit services. While Metrolinx previously shared a proposal to convert the bus terminal to a non-fare paid terminal, they have since committed to accommodate the TTC's request to keep it as a fare-paid terminal. A fare-paid terminal will provide an optimal and integrated customer experience since customers transferring from subway to TTC bus would not be required to cross a fare line.

**Lawrence East:** The design of this station will include a three-bay, TTC-only bus terminal. Given the site, design of the station, and with routes split both in-terminal and on-street, Metrolinx decided Lawrence East Station should operate as an unpaid terminal, which was agreed to by the TTC.

## **Yonge North Subway Extension (YNSE) Updates**

### *Finch Early Works*

Finch Early Works construction was completed in 2023, and project closeout is expected to be completed in summer 2024.

### *Station Planning*

**Cummer-Drewry:** Although it was long planned as part of the original project, the Province announced in July 2021 that Cummer-Drewry Station would be descoped from the project. It was the only station to be descoped after the Province later announced in April 2022 that Royal Orchard Station would be added back. At this time, the five confirmed stations are: Steeles, Clark, Royal Orchard, Bridge and High Tech. The City and the TTC explored alternatives with the Province and Metrolinx to understand the costs of a potential station at Cummer-Drewry. In 2023, the City developed a business case for Cummer-Drewry Station, and in February 2024, the Province requested a funding commitment from the City for the construction and financing of Cummer-Drewry Station. The funding was not committed in the City's New Deal or in the latest 2024 Council budget. At the City Council budget meeting on February 14, 2024, Councillor Lily Cheng moved the [motion](#) below and it was carried:

1. City Council request the Federal and Provincial governments to allocate their respective funding for Cummer Station at Yonge Street and Cummer Avenue as part of the Yonge North Subway Extension project in their upcoming 2024 budget announcements.
2. City Council express the City of Toronto's ongoing commitment to being a contributing partner in advancing rapid transit alongside other orders of government.

The TTC continues to believe that Cummer-Drewry would be an appropriate addition to the transit network in Toronto, and would provide important additional rapid transit connections for existing and future TTC customers.

**Steeles-Yonge:** The TTC, City of Toronto, York Region, and the cities of Markham and Vaughan are working with Metrolinx to determine an appropriately sized bus terminal and on-street bus connections at Steeles Station, and protect for future rapid transit services on Steeles Avenue. This is forecasted to be a busy bus terminal with high volumes of customers transferring between the surface bus network and the new subway. It is critical to design this terminal, and on-street facilities, to meet future demand to ensure customers have a seamless, accessible, safe and convenient experience. In particular, this means designing on-street bus facilities to support current

operations, and protect for future operations along the Steeles corridor, which is planned to include a future BRT service.

For the Steeles Avenue bus routes, the City of Toronto, York Region, the cities of Markham and Vaughan, and TTC staff have informed Metrolinx of their preference to include centre-median bus platforms into the project scope to better connect with the high volume of Steeles Avenue buses. Having appropriate on-street facilities will also reduce the number of bays needed at the off-street bus terminal since bus routes could serve on-street instead of needing to loop into a bus terminal. It is the position of TTC staff that the centre-median bus platform is a proven design to best meet customer demand and be compatible with the high volume of buses servicing Steeles.

Recently, Metrolinx has informed stakeholders that the YNSE project will not construct centre-median bus platforms to enable centre-running BRT. The TTC is reviewing this letter from Metrolinx with other stakeholders and remains committed to finding a viable solution with Metrolinx to refine the design of the station to avoid unnecessary rework and disruption.

### **Eglinton Crosstown West Extension (ECWE) Updates**

#### *Advanced Tunnelling Work*

The first tunnel boring machine (TBM) was launched in April 2022 from the launch shaft, and the second TBM was launched in August 2022. Twin tunnels are completed from Reinfort to Royal York. TBMs entered the final leg before they will be brought to the surface at the extraction shaft at Scarlett Road.

### **Provincial Subway Program: 12 Months Major Milestones**

<b>Milestone Description</b>	<b>Completed</b>	<b>Upcoming</b>
<b>Ontario Line</b>		
OL North Civil – Pape Station Advanced Works III – Pape Headhouse Demolition – Award	November 2023	
OL North Civil – Pape Station SOE Contract Award	December 2023	
OL Queen Street Closure Construction Start	May 2023	
OL Joint Corridor Early Work Contract Award	March 2023	

Milestone Description	Completed	Upcoming
OL Pape Tunnel and Underground Stations (PTUS) Progressive Design Build Contract Development Partner Selected	January 2024	
<b>Scarborough Subway Extension</b>		
SSE – Advance Tunnel Contract		
LS2 Construction Complete		May 2025
Tunnelling Completion		August 2025
SSE – Station, Rail, and Systems (SRSCo) Contract		
SRS-Development Phase Start	November 2022	
<b>Yonge North Subway Extension</b>		
YNSE – Finch Early Works (*FEW)		
FEW Construction Completion	December 2023	
FEW Project Closeout		Spring 2024
YNSE – Advanced Tunnel Contract (ATYNSE)		
Issue Advance Tunnel RFQ	April 2023	
Close Advance Tunnel RFQ	July 2023	
Issue Advance Tunnel RFP	December 2023	
Close Advance Tunnel RFP		Spring 2024
YNSE – Stations Rail and Systems Contract (SRS)		
Issue Stop and Plot 3		Q3 2024
<b>Eglinton Crosstown West Extension</b>		
Advance Tunnel 1 (ECWEATC1)		

<b>Milestone Description</b>	<b>Completed</b>	<b>Upcoming</b>
Construction started	April 2022	
Advance Tunnel 2 (ECWEATC2)		
RFP Issued	April 2022	
Contract Award	February 2024	
Elevated Guideway (ECWEEGW)		
RFP Issued	April 2022	
Stations, Rail and Systems (ECWESRS)		
RCD Package (Rev 2)	April 2022	

**City Priority Transit Projects**

**Waterfront Transit – Waterfront East LRT**

The Waterfront East LRT project is one of the City’s priority transit projects. The project will expand the streetcar network in a dedicated right-of-way from Union Station, along Queens Quay East to Cherry Street, to serve the growing East Bayfront and Port Lands neighbourhoods. The latest phase of work has advanced the design of the line to 30%, while completing a constructability review, business case, and associated Class 3 cost estimates. On November 8, 2023, City Council approved the WELRT alignment from Union Station to a new loop on Villiers Island, and further directed staff to advance the design of Segments 2 and 3 to 60%. Advancement on Union Station to expand the streetcar loop is on hold, pending funding availability.

Environmental approvals for this project, specifically from Union Station to Silo Street, will be underway in 2024 and will be an update to the previously approved 2010 East Bayfront Transit Class Environmental Assessment. The remaining sections of the alignment will be covered by an update letter to the Lower Don Lands Environmental Assessment Master Plan.

**Eglinton East LRT**

The Eglinton East LRT project is another of the City’s priority transit Projects. On December 13, 2023, Council approved the recommendations for the alignment of the Eglinton East LRT (EELRT). This included a 10% design of the distinct service concept from Kennedy Station to Sheppard-McCowan Station (on the Scarborough Subway Extension), with a spur line on Neilson Road to connect to Malvern Town Centre. In 2024, further public consultations will be held with local communities as the project advances to 30% design. The work plan for 2024 will also include a procurement options analysis, environmental assessments associated with the TPAP, and exploration of alternative sites for the location of the EELRT train maintenance and storage facility.

## **RapidTO**

Over the years, the TTC has been involved with municipal and provincial partners in planning for bus rapid transit (BRT) projects that would upgrade bus infrastructure to increase the reliability and speed on some of the busiest surface transit routes in the TTC network, and to better connect regional transit systems to the TTC system.

The TTC's 5-Year Service Plan & 10-Year Outlook (2020-2024) identified the need to explore enhanced bus lanes on five roadways in Toronto. The TTC is also working with the City of Toronto to develop a wider program to identify a series of priority roadways and study the application of different options of transit priority solutions over the next 10 years. That wider program, called RapidTO: Surface Transit Network Plan, was endorsed by Council in February 2023, and reaffirmed in January 2024. As directed by City Council, the TTC will work with the City to initiate additional roadway-specific studies for the following corridors:

1. Finch Avenue East, between Victoria Park Avenue and McCowan Road.
2. Dufferin Street, between Wilson Station and Dufferin Gate.
3. Lawrence Avenue East, between Victoria Park Avenue and Morningside Avenue.
4. Steeles Avenue West, between Pioneer Village Station and Bathurst Street.

These studies include undertaking roadway-specific studies to determine the feasibility, benefits and impacts of various transit priority measures, similar to what is being undertaken for the RapidTO: Jane Street.

Meanwhile, the TTC and the City have been jointly working to advance the roadways identified in the 5-Year Service Plan & 10-Year Outlook. The first RapidTO roadway, Eglinton Avenue East/Kingston Road/Morningside Avenue, introduced transit priority lanes in 2020. The traffic and transit data monitoring on the corridor has shown improvements to transit travel times (up to five minutes savings in the afternoon peak period) and ridership, with minimal impact to general traffic.

Additionally, the TTC and the City have evaluated five design options for transit priority treatments for Jane Street, between Steeles Avenue and Eglinton Avenue, the second RapidTO roadway. Public consultations were held in spring 2023 to present different transit priority options and better understand roadway user needs, challenges and priorities. Following the incorporation of public feedback, staff completed the traffic modelling and option evaluation using criteria shared during the spring public consultations. The final recommended design will be presented in the next phase of public consultation, scheduled for fall 2024, with various briefings being held in preparation. After this round of consultation is complete, staff will present the recommended design and implementation plan to the TTC Board and City Council for final approval, targeting fall 2024.

## **Durham-Scarborough BRT**

The Durham-Scarborough Bus Rapid Transit (DSBRT) is a Metrolinx-led project that will advance the study of approximately 36 kilometres of dedicated transit infrastructure that will connect Oshawa, Whitby, Ajax, Pickering and Toronto. This rapid transit corridor

would be used by TTC buses as well as buses from Durham Regional Transit (DRT) and GO Transit. Since completing the TRPAP in January 2022, Metrolinx has been advancing the preliminary design business case on the project. The project is also now expanding its scope to consider the last mile connection on Grangeway into the new Scarborough Centre Station on the Scarborough Subway Extension. There is currently no funding allocated for implementation of this project within the City of Toronto.

## **Dundas BRT**

The Dundas Bus Rapid Transit (BRT) project is a Metrolinx-led project that will advance the study of approximately 48 kilometres of dedicated transit infrastructure that will connect Hamilton, Burlington, Oakville, Mississauga and Toronto. The infrastructure will connect McMaster University in Hamilton and the Kipling Transit Hub in Toronto. This rapid transit corridor would be used by TTC buses, while in Toronto as well as buses from other regional services.

Metrolinx is currently advancing the project through the Preliminary Design Business Case, which will advance the service concepts, define the required infrastructure to support the service concept at the preliminary design stage. There is currently no funding allocated for implementation of this project within the City of Toronto.

## **Next Steps**

The TTC continues to work collaboratively with partners to advance the transit expansion projects outlined in this report.

Staff will continue to report to the Board on the progress of the transit expansion activities with a program update in fall 2024.

## **Contact**

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## **Signature**

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Gary Downie  
Chief Capital Officer

## **Attachments**

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Attachment 1 – Subway Program Agreement in Principle – Term Sheet

03090-167160529-24

**Subway Program – Agreement in Principle**

Preamble:

WHEREAS:

- A. The Province of Ontario (the “Province”) and the City of Toronto (the “City”) - collectively, the “Parties” – are committed to expanding and improving public transit infrastructure in Toronto;
- B. Under the 2019 Ontario Budget, the Province reaffirmed its commitment to *Ontario’s New Subway Transit Plan for the Greater Toronto Area (GTA)*, comprised of four projects, namely the Ontario Line, the Scarborough Subway Extension, the Eglinton Crosstown West Extension and the Yonge North Subway Extension (the “Subway Program”);
- C. On November 4, 2019, the Parties announced the Ontario-Toronto Transit Partnership (the “Partnership”) to enable the delivery of significant expansion, modernization, upgrades and state-of-good-repair (SOGR) improvements to public transit in Toronto, including the Subway Program;
- D. On February 12, 2020, the Parties entered into a Preliminary Agreement pertaining, in part, to the Subway Program to formalize the partnership and establish the fundamental principles, roles and responsibilities of the Parties regarding the implementation of the Subway Program;
- E. The Preliminary Agreement established that the existing subway system will remain the responsibility, and under the ownership, of the City and the Toronto Transit Commission (TTC). The City/TTC will be responsible for the day-to-day operations of the Subway Program and the existing transit system, including in respect of labour relations. The Preliminary Agreement also established that the Province will have ‘sole responsibility’ for the planning, design and construction of the Subway Program and intends to own the resulting assets;
- F. Pursuant to City Council approval of Item 2019.EX9.1 at its meeting of October 29 and 30, 2019, and based on terms set out in the Preliminary Agreement, the City has endorsed the reallocation of \$3.811 billion in federal funding under the Public Transit Infrastructure Stream of the federal Investing in Canada Infrastructure Program (ICIP) to the Ontario Line and Scarborough Subway Extension projects;
- G. Pursuant to the *Building Transit Faster Act, 2020*, the Province and Metrolinx have been granted various rights and powers to facilitate the expeditious delivery of the Subway Program;
- H. In accordance with the Preliminary Agreement, Metrolinx has entered into Subway Resourcing Agreements with the City and the TTC respectively in support of delivery of the Subway Program;
- I. The City, the TTC and Metrolinx have entered into a Subway Program Real Estate Protocol which is incorporated into this Term Sheet and attached hereto;
- J. In Item 2023.CC.13.2, City Council approved in principle the terms of the Ontario-Toronto New Deal Working Group Term Sheet in which, in part, the City agrees to finalize negotiations, including a revised model for funding operations and maintenance, on the Subway Program Agreement in Principle within defined timelines, and seek City Council approval;
- K. In accordance with the Ontario-Toronto New Deal, and the letter signed on [date], the Parties have settled and cleared the financial reconciliation exercise between the Province and the City, fulfilling obligations as set out in section 20 of the Preliminary Agreement, and
- L. The Parties wish to develop a Term Sheet (which may also be referred to as the “Subway Agreement in Principle”) for the Subway Program that builds on the Preliminary Agreement, defines the detailed roles, responsibilities and mutual expectations of the Parties, and serves as the basis for future agreements to be negotiated by the Parties and/or their respective agencies with respect to the Subway Program.

**Section 1: Interpretation**

The purpose of this Term Sheet is to outline the general provisions governing the Subway Program between the City of Toronto and the Province of Ontario.

The Province commits to meeting its obligations under this Term Sheet either directly or through its agents Metrolinx or Infrastructure Ontario, subject to the Province receiving all required approvals, including appropriations by the Ontario Legislature, and subject to applicable law and the Province’s authorities thereunder.

The City commits to meeting its obligations under this Term Sheet either directly, or through TTC, subject to the City receiving all required approvals, including funding authority and approval by City Council, and subject to applicable law and the City and TTC's authorities thereunder.

**Definitions**

**"Acceptance"** means acceptance by: (i) the City of City assets and infrastructure, or (ii) TTC of TTC assets and infrastructure completed by Metrolinx as part of City Infrastructure Work, or such component thereof, as the case may be, for all purposes including, without limitation, operational and maintenance responsibility following final inspection and commissioning in accordance with the provisions of the Commissioning and Acceptance Protocol, and **"Accept"** and/or **"Accepted"** shall have a corresponding meaning.



**"Additional Infrastructure"** means either or both of the following: (i) upgrades and changes to City Infrastructure Work requested by the City or the TTC, and (ii) construction of new infrastructure that is not City Infrastructure Work, in each case requested by and constructed for the City or TTC, at the City's or TTC's cost, and to be owned by the City, or TTC, and in each case any changes or modifications thereto that are requested by the City or TTC, from time to time which have been accepted by the Province, or through its agent Metrolinx.

**"Applicable Law"** means all federal, provincial and municipal laws in force in the Province of Ontario, including statutes, proclamations, regulations, by-laws, and any judgment of a relevant court of law, arbitrator or administrative agency, in each case which now or at any time hereinafter are applicable to the Subway Program and the Projects.

**"Basic Grade Separation"** means the infrastructure required to grade separate road from rail by replacing assets, including rail and road assets, existing at the time of issuance of the applicable transit project procurement document, with new infrastructure.

**"Basic Standard"** means: (i) the standards and guidelines pertaining to the design and construction (including rehabilitation and protection) of City Infrastructure Work which are available upon request to engineers and architects licensed to practice in the Province of Ontario and which will be applied on a "like for like" basis with respect to function, size, capacity, quality and location, in each case the standard(s) to be applied shall be current at no later than six (6) weeks prior to the final addendum to the applicable procurement document, and (ii) municipal laws and those federal and provincial laws applicable to and enforceable against the City.

**"City Standard"** means the Basic Standard unless the Parties have agreed to a different standard, in which case it means the standard agreed to by the Parties which standard shall in all cases include all municipal laws, and those federal and provincial laws applicable to, and enforceable against, the City.

**"City Infrastructure Specifications"** means those portions of a Project Agreement comprised of the project specific output specifications and other specifications and directions, applicable to City Infrastructure Work and Connections, as varied from time to time.

**"City Infrastructure Work"** means the work to be undertaken and built by and at the cost of the Province or through its agent Metrolinx unless specifically stated herein to the contrary, which work is comprised of the construction, installation, modification, relocation, removal, reinstatement, protection, restoration, building or rebuilding of infrastructure and assets owned by the City or the TTC that will be impacted by the Subway Program or a Project, in order to accommodate and facilitate the Subway Program or a Project.

**"City Utilities"** means City sewers, water mains and related utility works (but does not include roadway assets, streetscape, or other non-utility works).

**"Commission"** means the process of achieving and verifying the functional and operational criteria of new City Infrastructure Work and/or Additional Infrastructure and of systematically bringing the Subway Program infrastructure, Interface Stations, Connections and new City Infrastructure Work and/or Additional Infrastructure, in accordance with the provisions of the Commissioning and Acceptance Protocol and TTC Process and Approval Protocol for Metrolinx Subway Program, into an operational mode as required to be fully operational, including safety certification and **"Commissioning"** has a corresponding meaning.

**"Commissioning and Acceptance Protocol"** means the protocol to be developed and agreed to between the City and Metrolinx and adopted by the program committee in respect of the Commissioning and Acceptance of City Infrastructure Work, Connections, and other Program Assets as agreed to by the parties in writing.

**"Connection" or "Connections"** means the point of connection and interface between any Program Asset and any system or utility infrastructure owned or to be owned by the City.

**"Cost of Additional Infrastructure"** means the actual costs of Additional Infrastructure undertaken by the Province, through its agent Metrolinx, as part of a Project, at the request of the City and/or the TTC to be paid by the City and/or the TTC including but not limited to: construction costs, Metrolinx's internal staffing costs, property costs (if any), costs relating to external professional services (including design), full-time inspections, non-recoverable HST, and flagging costs, for which the City is responsible, pursuant to the applicable municipal infrastructure agreement. For clarity, the Cost of Additional Infrastructure does not include any costs that are otherwise payable for the Subway Program had the Additional Infrastructure work not been undertaken.

**"Development Revenue"** means all transit-oriented community (TOC), development (residential, commercial, institutional, etc.) property (land) related revenue sources (short and long-term/future), and commercial benefits, which consist of the following: full or partial dispositions (air rights; temporary and permanent), limiting distance agreements, infrastructure overbuilds and/or integrations entrance connections, and naming rights on the Projects.

**"Effective Date"** means [date], the date on which this Term Sheet is signed by both Parties and comes into effect.

**"Farebox Revenue"** means all revenues collected as fares from passengers riding on the Projects.

**"Interface Stations"** means existing TTC subway stations that allow connection between, or the extension of, existing lines to the new stations constructed as part of any Project.

**“Labour Relations Agreements”** means any collective agreement or work jurisdiction agreement pertaining to the construction industry that is binding on the City or TTC (whether because the City or TTC is signatory to such agreement or is required to adhere to such agreement pursuant to an order of the Ontario Labour Relations Board and/or in accordance with the *Labour Relations Act*).

**“Non-farebox Revenue”** means all revenue other than Farebox Revenue and Development Revenue.

**“Operations and Maintenance Agreement or O&M Agreements”** means the agreement(s) to be entered into between Metrolinx, the City and the TTC to fund the operation of each Project, and to provide services to operate, maintain, monitor, repair, and/or report, as applicable.

**“Ontario-Toronto New Deal”** means the terms between the Province and the City to improve the long-term stability and sustainability of Toronto’s finances, and to consider ways in which Toronto, the Province and the Federal Government can advance shared priorities, signed on November 26, 2023, approved in principle by City Council in Item 2023.CC.13.2.

**“Party”** means the Province of Ontario or the City of Toronto (collectively the “Parties”).

**“Partnership”** means the Ontario-Toronto Transit Partnership as formalized by the Preliminary Agreement.

**“Preliminary Agreement (PA)”** means the Province of Ontario-City of Toronto Transit Partnership Preliminary Agreement executed on February 12, 2020.

**“Project” or “Projects”** means any of the following transit projects: the Ontario Line; Scarborough Subway Extension; the Eglinton Crosstown West Extension; and the Yonge North Subway Extension.

**“Project Agreement”** means an agreement entered into between the Province or one or more of its agencies and a successful Proponent to design, construct, finance, operate and/or maintain a Project, as may be amended, supplemented, or restated from time to time.

**“Public Realm”** means places, spaces and amenities that are publicly accessible, including but not limited to: areas beneath elevated guideways, squares, plazas, trails, parks, pedestrian clearways, landscaped areas, open spaces, waterfronts, conservation areas, and civic buildings and institutions, but excludes: Right of Way and 1-foot reserves, areas located on and within station boundaries and Program Assets.

**“Program Assets”** means the infrastructure and assets pertaining to the Subway Program and owned by the Province or its agent, Metrolinx, including but not limited to subway tunnels, new track, signaling, rolling stock, maintenance facilities, storage facilities, traction power sub-stations and stations, but excludes rolling stock for the Scarborough Subway Extension and the Yonge North Subway Extension.

**“Proponent”** means a bidder in a procurement process by the Province or one or more of its agencies pertaining to a Project.

**“Required Permits”** means all permits, licences and approvals of general application required by the City and third parties to design and construct the Connections, City Infrastructure Work and Additional Infrastructure work, including without limitation, building permits.

**“Right of Way”** means a common and public highway, street, sidewalk, avenue, parkway, driveway, bridge, viaduct or trestle, any part of which is intended for or used by the general public for the passage of vehicles and includes the area between the lateral property lines thereof.

**“Subway Main Agreement”** means an umbrella agreement for the Subway Program to be negotiated between the City, the TTC and Metrolinx, based on the terms of this Term Sheet.

**“Subway Program”** means cumulatively, the four Projects.

**“Subway Real Estate Protocol”** means the General Terms and Conditions for Real Estate Protocol for Property Acquisitions and Dispositions Related to Subway Projects in the City of Toronto, dated June 16, 2022, executed between the City, TTC and Metrolinx in respect of the Subway Program, attached hereto as Attachment 1 and as amended from time to time.

**“Subway Resourcing Agreements”** means both the agreement between the City of Toronto and Metrolinx and the agreement between the TTC and Metrolinx that set out the terms and conditions for reimbursement to the City and TTC of staffing costs to support the delivery of the Subway Program, dated July 19, 2022, and October 6, 2022, respectively.

**“Third Party Scope Request Process”** means Metrolinx’s standardized process of initiating, defining and agreeing to the inclusion of Additional Infrastructure within the Project’s scope. This includes documentation of scope, design standards, risk responsibility, risk mitigation plans, tentative schedule milestones and estimated costs. Details agreed upon in the Third-Party Scope Request Process will inform the development of an agreement between Metrolinx and the City and/or TTC.

**“TTC Design Standard”** has the meaning set out in the TTC Process and Approval Protocol for Metrolinx Subway Program.

“**TTC Process and Approval Protocol for Metrolinx Subway Program**” means the protocol executed on July 5, 2024 by TTC and Metrolinx for the planning, design, delivery and commissioning of the Subway Program, amongst other matters, attached hereto as Attachment 2 and as amended from time to time.

## Section 2: Scope / Application

2.1 The scope of this Term Sheet covers the Subway Program.

## Section 3: Information Sharing / Transparency

- 3.1 Subject to any legal limitations including any limitations pursuant to the Freedom of Information and Protection of Privacy Act (FIPPA) and the Municipal Freedom of Information and Protection of Privacy Act (MFIPPA), the Parties shall exchange information on a timely basis as is reasonably required for the purpose of implementing the provisions of this Term Sheet.
- 3.2 The Parties acknowledge that detailed protocols for the sharing, reviewing and exchanging of technical information related to the implementation of the Subway Program will be outlined as part of the Subway Main Agreement or project-specific agreements, as appropriate, and will be consistent with any applicable confidentiality agreements already in place between Metrolinx and the City or the TTC. However, general terms related to information sharing, and the Parties’ roles with respect to reviewing, commenting and approving designs and construction of the Projects will be outlined within the Project Implementation section of this Term Sheet.
- 3.3 The Province and the City acknowledge that the provisions of the Agreement on Cooperation and Consultation between the City of Toronto and the Province of Ontario (T-OCCA) regarding cooperation apply to the Subway Program and to this Term Sheet.
- 3.4 The Province, through its agent Metrolinx, will actively coordinate Project works with infrastructure projects deemed essential by the City, and be responsible for inputting, or otherwise providing to the satisfaction of the City, Project information related to the Subway Program into the City’s T.O.Inview (Infrastructure Viewer) or its successor tool to ensure that all Project information is reasonably kept current and up to date, with updates at minimum on a quarterly basis. The City will provide Metrolinx with the required access to T.O.Inview or its successor program, as well as transfer related City and authorized Toronto Public Utility Coordination Committee (TPUCC) geodata to Metrolinx on a quarterly basis, or as may otherwise be agreed to in accordance with the terms and conditions of the Subway Main Agreement.
- 3.5 The Province, City and TTC will work collaboratively early in the planning stages of each Project, including by exchanging/providing information (including scheduling) in advance, as appropriate for the duration of the Projects to mitigate impacts on TTC operations, planned construction of potentially conflicting infrastructure projects, and on local communities.
- 3.6 The Province, through its agent Metrolinx will provide the information from Project Agreements, including all amendments thereto, to the City for the purpose of sharing City Infrastructure Specifications related to City Infrastructure Work and any cost information directly related to Additional Infrastructure for which the City or TTC is financially responsible, or in respect of any cost obligations for which the City or TTC are responsible under an Operations and Maintenance Agreement that flow from costs payable to a contractor pursuant to a Project Agreement, and adjustments to such costs and penalties between all parties to the Project Agreement. The Province, through its agent Metrolinx, will have the discretion to share the information from Project Agreements in accordance with its confidentiality obligations. Should the City or TTC determine it has insufficient information to substantiate costs before the establishment of the Operations and Maintenance Agreements, the City or TTC has the ability to raise this issue in accordance with the process outlined in paragraph 5.1. Both parties will ensure that the dispute process is completed in an expeditious manner. Costs under dispute through the dispute resolution process will not be payable until the process is complete for costs incurred before the establishment of the Operations and Maintenance Agreements. Disputes related to the operations and maintenance phase of the Projects are covered under paragraph 5.2.

## Section 4: Federal Engagement

- 4.1 The City acknowledges that funding from the Government of Canada for the Projects, including federal funding reallocated to the Projects by the City under the Investing in Canada Infrastructure Program (ICIP), will flow directly to, and be accounted for, by the Province under contribution agreements to be established bilaterally between the Province and the Government of Canada. Accordingly, the Province will be responsible for satisfying federal requirements and the City will provide any additional information needed to support reporting requirements related to the funding, as required.
- 4.2 The Province will support the City in calls for greater federal funding to support modernization, upgrades, and state-of-good-repair needs in the existing transit system.

4.3 The Province will consider supporting the City's request for funding the capital costs of City Council approved transit expansion projects, including the Eglinton East LRT and Waterfront Transit Network, subject to the City submitting the necessary information requested by the Province, acting reasonably and further subject to provincial approvals.

#### Section 5: Dispute Resolution

5.1 For the planning, design and construction phases of the Subway Program, disputes between the Parties will be resolved in accordance with the Partnership governance framework in place for other transit expansion programs between the City, TTC, Metrolinx, the Province, and Infrastructure Ontario and will be further detailed in the Subway Main Agreement.

5.2 A dispute resolution process for the operations phase will be established in the Operations and Maintenance Agreements, which may include the development of a procedure to address technical disputes and include the potential engagement of an external advisor(s) to assist in the resolution of technical disputes, on a case-by-case basis.

#### Section 6: Project Implementation

##### *City Engagement*

6.1 The Province including its agent Metrolinx agree it will engage the City and TTC early on in all phases of the Projects and will work collaboratively in good faith to resolve planning, design, and implementation issues with the City and TTC. The Province will take reasonable efforts to resolve issues with the City and TTC, including consideration of the City's implementation of the recommendations in 2024.EX15.2.

6.2 The Province including its agent Metrolinx will consult the City and TTC on proposed changes to the scope of the Program or changes to design of each Project that materially impact the benefits accruing to the City and TTC.

##### *Planning and Design Phases*

6.3 Without limiting the rights and obligations set out in this Term Sheet, the City and TTC's rights to review, provide comments and approve designs for the Subway Program shall be in accordance with Schedule "A" of the Subway Real Estate Protocol and the TTC Process and Approval Protocol for the Metrolinx Subway Program, respectively.

6.4 The Province, including through its agent Metrolinx, and the City, including through TTC, commit to working in collaboration to coordinate their respective capital programs so as to optimize opportunities for efficiencies to all Parties' projects, limit construction conflicts and mitigate the impact of their respective capital programs, including cost impacts, on the other parties.

6.5 All comments by the City and TTC during the planning and design phases will be provided to the Province through its agent Metrolinx in accordance with the Subway Resourcing Agreements and Schedule "A" of the Subway Real Estate Protocol and the TTC Process and Approval Protocol for the Metrolinx Subway Program, respectively. Based on the information provided by Metrolinx, the City and TTC will ensure it provides to the Province, through its agent Metrolinx all relevant and applicable City Standards and TTC Design Standards in the design of City infrastructure and TTC infrastructure, respectively. The Province will ensure it provides the City and TTC adequate time to review and provide comments in accordance with the terms of the aforementioned agreements.

##### *Procurement and Construction Phases*

6.6 Without limiting the rights and obligations set out in this Term Sheet, Metrolinx, the City and TTC's rights and obligations with respect to the construction phases for the Subway Program shall be in accordance with Schedule "A" of the Subway Real Estate Protocol and the TTC Process and Approval Protocol for Metrolinx Subway Program.

6.7 On a case-by-case basis, if the Province or its agencies' work on the Subway Program has created an incremental cost impact to the City's or TTC's funded capital projects that are either planned or underway as of the Effective Date, the Parties may negotiate an appropriate cost sharing apportionment with the aim to reduce the cost impact to the City or TTC, taking into account the causal factors associated with such cost increase. The Parties will also determine the best approach to deliver the impacted capital project that aims to reduce all cost impacts, delays and impacts to the community.

6.8 The Province, or its agent Metrolinx, will consult with the City and TTC in the evaluation of those portions of the bid submissions that are specifically related to City Infrastructure Work and Additional Infrastructure provided that the City and the TTC and any evaluators representing the City and TTC have no conflicts of interest and the Confidentiality Agreement, between the City, IO and Metrolinx, dated August 20, 2020, and the TTC, Metrolinx and IO dated August 20, 2020 remains in force.

- 6.9 The Province and the City will endeavour to, in good faith, reasonably follow the guidelines and processes developed by Metrolinx, to support the implementation of the *Building Transit Faster Act*.
- 6.10 In addition to the commitments pertaining to City Infrastructure Work in the Subway Real Estate Protocol, for Additional Infrastructure work, the Province will obtain all permits, licences and approvals of general application required by the City/TTC and third-parties, and will ensure compliance with all federal, provincial and municipal laws in force in the Province of Ontario applicable to and enforceable against the City and the TTC.
- 6.11 The City and TTC, as appropriate, will make a final determination on a completed application for any permit, licence, or approval that has been submitted within the time frame specified by legislation and, if not specified in legislation, then as specified in the applicable Subway Resourcing Agreement. The City and TTC's approval within these timelines is subject to submission of completed applications and information by Metrolinx or its contractors as outlined in the Subway Resourcing Agreement. The City and TTC will not be required to provide any permits, licences, and approvals that do not meet City and TTC requirements in force at the time of submission. Should the Province elect, in its sole discretion, to proceed without permits, licences, and approvals in respect of work on Program Assets, the Province will assume all liability for such work.
- 6.12 The Province will ensure a construction management plan(s) is developed for the delivery of the Projects that will aim to mitigate to the extent possible, negative impacts on local residents and businesses, transit and traffic operations, and will ensure the construction zone is kept as clean and tidy as reasonably possible.
- 6.13 The Province shall be responsible for the cost and performance of repairing damage to City and TTC infrastructure or assets (excluding normal wear and tear) caused as a result of work on a Project to the extent of the damage caused by that work. If there is an existing defect or deterioration of the City and TTC infrastructure or assets that was discovered in the course of work on the Project that was not caused by work on the Project, then the City and TTC shall be responsible for the costs of any repairs it requests of Metrolinx for that infrastructure or asset.
- 6.14 In connection with the delivery of the Subway Program, the City and TTC will not be responsible for any costs, loss, injury, or damage resulting from the negligent, acts or omissions, wilful misconduct, or breach of contract by any one of Metrolinx, a Proponent, Project Co, or any of their contractors, subcontractors, or anyone acting on their behalf.
- 6.15 The Province, through its agent Metrolinx, shall Commission City Infrastructure Work, Connections, and other Program Assets, as agreed to by the parties in writing, in accordance with a future Commissioning and Acceptance Protocol. The Protocol will include but is not limited to provisions pertaining to the management of interim inspections and final inspections, submittal of documentation, and the management of the warranty inspections prior to the expiry of the warranty period.
- 6.16 The Province, through its agent Metrolinx, will also Commission Additional Infrastructure in accordance with a future Commissioning and Acceptance Protocol and the TTC Processes and Approvals Protocol.
- 6.17 The Province commits to ensuring that the planned in-service date for the Ontario Line will be prior to the planned in-service date of the Yonge North Subway Extension.
- 6.18 The Province, through its agent Metrolinx, will reimburse the TTC for eligible costs pursuant to and in accordance with the terms and conditions set out in a joint framework for addressing reimbursement of bus bridging service disruptions caused to the TTC service as a result of Metrolinx capital programs.

#### *City Utilities*

- 6.19 The Province, or its agent Metrolinx, shall be responsible for the costs of relocating all City Utilities where the relocations are required to facilitate the delivery of a Project. Should relocated City Utilities require increased capacity due to the Program Assets, the Province will pay the incremental costs for increased capacity resulting from the Subway Program Assets only. The Province or its agent Metrolinx are not responsible for the cost of upgrades and associated incremental costs to existing City Utilities requested as Additional Infrastructure by the City. If the upgrade is required due to the design of the Projects, the costs of these upgrades will be assessed on a case-by-case basis and may be cost shared among the Parties pursuant to the outcome of the assessment. For clarity, the City is not responsible for the costs of the upgrade unless determined otherwise through the case-by-case assessment.

#### *City-owned Bridges*

- 6.20 To ensure effective construction coordination with the Subway Program, the Province and the City will discuss City bridges that are due for rehabilitation in the City's 10-year capital plan. Where operationally feasible, and at the Province's discretion, the Province will undertake rehabilitation of these City's bridges. The City and the Province will negotiate the capital contribution for the City bridge

rehabilitation work noted above, on a case-by-case basis, for the purposes of apportioning costs for design and construction and will be guided by the cost-sharing obligations in the existing Board Order for the specific crossing. The apportionment of maintenance responsibilities will be based on the guidelines of the Canadian Transportation Agency.

#### *Additional Infrastructure*

- 6.21 The City and TTC at their cost may request in writing that Metrolinx design and/or construct Additional Infrastructure as part of a Project through the Third-Party Scope Request Process. Through its agent Metrolinx, the Province will, in its sole discretion, decide whether to incorporate the requested Additional Infrastructure work into a Project's scope. The City and the TTC agree to participate in and adhere to timelines as outlined by Metrolinx in the Third-Party Scope Request Process.
- 6.22 Subject to paragraphs 6.21, 6.25, and 6.26 of this Term Sheet, the Province will, through its agent Metrolinx, design and construct Additional Infrastructure in accordance with City Standards and TTC Design Standards, and in accordance with Applicable Law. Ownership of the Additional Infrastructure will be transferred to the City in accordance with the Commissioning and Acceptance Protocol and to the TTC in accordance with the TTC Process and Approval Protocol for Metrolinx Subway Program. Ownership of properties acquired to enable the Additional Infrastructure will be transferred to the City or TTC in accordance with the Subway Real Estate Protocol.
- 6.23 The Province, through its agent Metrolinx, shall investigate and resolve any complaints directed to it by the City alleging that Project Co's practices vary from the principles of the City's Fair Wage Policy, while keeping the City apprised of the status and outcomes of the investigation, and in the event Metrolinx receives such a complaint directly, Metrolinx will notify the City thereof and will work with the City to investigate and resolve the matter.
- 6.24 The Province, through its agent Metrolinx, shall include provisions in each applicable Project Agreement requiring Project Co to comply with Labour Relations Agreements that exist at the time Metrolinx elects to proceed with Additional Infrastructure requested by the City or TTC, to the extent that such Labour Relations Agreements apply to the construction of the applicable Additional Infrastructure.
- 6.25 As part of the Third-Party Scope Request Process, the Province, or its agent Metrolinx, will notify the City and TTC of the estimated Cost of Additional Infrastructure. The City or TTC, as applicable, must provide Metrolinx with required information of sufficient detail to provide an estimation of the Cost of Additional Infrastructure in a timely manner. Once the scope, design and estimated costs are acknowledged by both the City or TTC, as applicable, and the Province, through its agent Metrolinx, within the signed non-binding Third Party Scope Request Process form, the City or TTC, as applicable, and the Province, through its agent Metrolinx will enter into a municipal infrastructure agreement to confirm the roles and responsibilities (which will include terms for such Additional Infrastructure work, including a payment schedule of the Cost of Additional Infrastructure). The Province and its agent Metrolinx are under no obligation to commence any design or construction work in respect of any Additional Infrastructure unless and until a municipal infrastructure agreement is executed by the City or TTC, as applicable, and the Province/Metrolinx. The Province, through its agent Metrolinx, will direct its contractor(s) to design and/or construct the Additional Infrastructure as part of the work undertaken for the Project.
- 6.26 The City or TTC, as applicable, will be responsible for reimbursing Metrolinx for the Cost of Additional Infrastructure for work performed pursuant to the applicable municipal infrastructure agreement ("MIA"), up to the maximum of the estimated total amount explicitly set out in the applicable MIA. For clarity, the Province or its agent Metrolinx will not be responsible for the Cost of Additional Infrastructure except in circumstances under paragraph 6.14. If actual costs exceed the estimated costs explicitly set out in the applicable MIA, Metrolinx is under no obligation to continue performing work and the City or TTC, as applicable, may seek to amend the applicable MIA to cover cost escalations. Subject to the terms and conditions of the MIA as applicable, should the City or TTC, as applicable wish to terminate the MIA at any time, the City or TTC, as applicable, will notify Metrolinx, in writing, and the MIA will be terminated.

#### *Public Realm and Right of Way*

- 6.27 The Province will replace all City-owned Public Realm and Right of Way elements that have been removed or damaged during construction of the Projects on a like-for-like basis, using Basic Standards (or City Standards or TTC Design Standards if agreed to by the Parties).
- 6.28 The Province, through its agent Metrolinx, will work with the City to incorporate Public Realm enhancements, through its community supports/benefits strategy, with a focus on areas within the City of Toronto where the Projects run above-ground to minimize negative impacts to the local community.



*Community Supports/Benefits*

- 6.29 The Province will work in consultation with the City, and community stakeholder groups to develop a suite of flexible and responsive community supports using an equity and gender lens. This suite of community supports will include, at a minimum, criteria and methods for prioritizing local procurement, local job creation and youth apprentice opportunities, leveraging provincial programming, appropriate for implementation in the construction of the Projects.
- 6.30 The Province will endeavour to promote such community supports as outlined in section 6.28 in the City's Neighbourhood Improvement Areas with an implementation plan that could include local advertising, job fairs, hiring targets, and training programs.
- 6.31 The Province will endeavour to minimize impacts on local businesses caused as a result of the construction of the Subway Program and will take reasonable steps to support businesses throughout the construction period, including through provision of potential funding support.

*Cellular Connectivity*

- 6.32 The Province, through its agent Metrolinx, will work with the City and TTC to enable cellular and internet connectivity across the Projects.

**Section 7: Funding**

*Capital Funding and Costs for Subway Program*

- 7.1 Except as otherwise provided for in this Term Sheet, the Province will be responsible for funding 100% of the capital cost of the Subway Program (aside from federal funding allocated towards the Projects), and the City will not be responsible for funding any capital cost of the Subway Program.
- 7.2 The Province will be responsible for the capital costs of all Basic Grade Separations required for the Program. The apportionment of maintenance responsibilities will be based on the guidelines of the Canadian Transportation Agency.
- 7.3 Except as set out in paragraph 6.20, the Province will be responsible for all capital costs for bridges that required widening, modification, reconstruction, or rehabilitation for the Program. The apportionment of maintenance responsibilities will be based on the guidelines of the Canadian Transportation Agency.
- 7.4 The Province will be responsible for the costs of demolishing and decommissioning the Scarborough Rapid Transit (SRT) line to the extent this demolition and decommissioning work is required to facilitate the construction of the SSE.
- 7.5 Subject to a set of terms and conditions articulated in the Preliminary Agreement, the City would redirect the capital contributions that the City would otherwise be expected to dedicate to the Projects to instead supporting modernization/upgrades or state-of-good-repair (SOGR) improvements to the existing transit system, and/or towards other transit expansion projects. The Province acknowledges that the City has fulfilled its commitment to redirect capital contributions pursuant to section 9 of the Preliminary Agreement.

**Section 8: Ownership, Control and Interface Station Access**

*Ownership*

- 8.1 All Program Assets from the Projects will be owned by the Province through its agent Metrolinx, with the exception of rolling stock on the Scarborough Subway Extension and the Yonge North Subway Extension which will be owned by the TTC, and select other assets, as deemed necessary by the Parties. For clarity, the Province is providing the capital funding to the TTC to purchase the new subway trains required for the Scarborough Subway Extension and the Yonge North Subway Extension.
- 8.2 The TTC will provide rolling stock in order to test the Yonge North Subway Extension ("YNSE") and SSE infrastructure in advance of revenue service. The TTC and Metrolinx will work together to determine testing and commissioning requirements for the YNSE and SSE infrastructure and minimize impacts to TTC operations during the testing and commissioning process.

- 8.3 Existing portions of Interface Stations will remain the responsibility of, and under the ownership of, the City and the TTC, unless solely determined otherwise by the City/TTC at which point the asset may be transferred to the Province, or its agent Metrolinx, if agreed to by the City/TTC and the Province/Metrolinx. Notwithstanding the foregoing, if as part of a Project, the Province constructs new portions within or modifies Interface Stations, the Province/Metrolinx and the City/TTC, will assess on a case-by-case basis the appropriate ownership, access and control of the modified or new portions built within Interface Stations based on an assessment of implications to the safety, security and operational integrity of the Projects and TTC network. Subject to agreement by the City/TTC and the Province/Metrolinx, of any City or TTC ownership of these new or modified portions, the City and TTC's Acceptance shall be in accordance with the Commissioning and Acceptance Protocol and TTC Process and Approval Protocol for Metrolinx Subway Program, respectively.
- 8.4 Any City Infrastructure Work that must be relocated, replaced, modified, and/or protected as part of Project works by the Province will be owned by the City and the TTC, as applicable, once Accepted in accordance with the Commissioning and Acceptance Protocol and TTC Process and Approval Protocol for Metrolinx Subway Program, respectively.
- 8.5 Any Additional Infrastructure as requested by the City or TTC and approved for inclusion into Project scope by the Province or its agent Metrolinx will be owned by the City or TTC, as applicable, once Accepted in accordance with the Commissioning and Acceptance Protocol and TTC Process and Approval Protocol for Metrolinx Subway Program, respectively.
- 8.6 Provided the design of Public Realm assets was reviewed and approved by the City in accordance with the Basic Standards, or any other City Standards agreed to by the City and Metrolinx, Public Realm assets that are constructed as part of the Subway Program will be transferred to the City and will be operated and maintained by the City, at the City's expense. Metrolinx will transfer its interest in the portion of the lands containing the Public Realm to the City, and the City will provide Metrolinx all necessary easements on Public Realm spaces for operations and maintenance activities of Program assets, all in accordance with the Subway Real Estate Protocol.
- 8.7 Where Metrolinx designs and constructs infrastructure with the intention of it being a Public Realm asset, and where the City did not review and approve the design of the Public Realm asset in question in accordance with paragraph 8.6, the Parties will determine the ownership, maintenance, and operating responsibilities on a site-by-site basis. For disputes between the Parties on the acceptance of Public Realm assets, the Parties will seek resolution through the dispute resolution process in paragraph 5.1 or paragraph 5.2, as applicable.

*Access and Control*

- 8.8 In order to meet its Public Sector Accounting Standards for the Projects' provincial ownership, the Province will be able to deny or regulate access to Program Assets.
- 8.9 The Province, through its agent Metrolinx in partnership with the City, through its agent TTC, will establish access and control requirements for the Program Assets for operations and maintenance purposes, and to ensure the safety and security of the entire TTC network, in particular where there are interfaces between TTC and Program Assets.
- 8.10 The Parties acknowledge that detailed site-specific access protocols for City Infrastructure Work and Interface Stations required for the Project's operations will be agreed to in the future as part of a Subway Main Agreement, Operations and Maintenance Agreements, and other agreements, as appropriate.
- 8.11 Access protocols will be established between the Province, through its agent Metrolinx, and the City, through its TTC, to Interface Stations and TTC infrastructure or assets to ensure safe, timely and unobstructed access, where such access is required for the safe planning, design, construction, operation, and maintenance of the Project. The protocols shall include provisions in respect of the scheduling, frequency and conditions for temporary closures of Interface Stations necessary for the Projects' safe planning, design, or construction.
- 8.12 Access to real property containing the Program Assets will be in accordance with the provisions set out in the Subway Real Estate Protocol.

**Section 9: Operations & Maintenance**

- 9.1 The Parties agree that details pertaining to all operations and maintenance roles and responsibilities, including funding and Farebox and Non-farebox Revenue apportionment, will be negotiated in the future following the targeted review of the long-term sustainability of the City's finances to be completed in 2026 in accordance with the Ontario-Toronto New Deal.

*Operating Costs and Revenues*

- 9.2 The Parties agree that the Farebox Revenue and Non-Farebox Revenue will be used to defray operating and maintenance costs for the Projects.



- 9.3 Further discussions related to the broader operating and maintenance roles and responsibilities and funding obligations for the Projects will be conducted as part of the targeted review of the long-term sustainability of the City's finances, to be completed in 2026, in accordance with the Ontario-Toronto New Deal. The review would include within its scope the financial sustainability of the operations of the TTC transit system.
- 9.4 The Province, or its agent Metrolinx, will retain Development Revenue generated from the Projects.
- 9.5 As outlined in the York Region-Ontario Transit Partnership Preliminary Agreement, York Region will provide an ongoing operating contribution for the YNSE's operating and maintenance costs, commensurate with the level of service provided in York Region as endorsed by the City/TTC. This operating contribution will be negotiated by the Province with York Region in consultation with the City/TTC. This operating subsidy will be further subject to City/TTC endorsement. Any additional subsidy required to operate the Projects will be discussed after the targeted review of the long-term sustainability of the City's finances in accordance with the Ontario-Toronto New Deal.
- 9.6 Should the Eglinton Crosstown West Extension be extended beyond the City of Toronto, the Parties will determine an appropriate ongoing operating contribution for the ECWE's operating costs at that time. This operating contribution will be negotiated by the Province and the host municipality in consultation with the City/TTC. This operating subsidy will be further subject to City/TTC endorsement. Any additional subsidy required to operate a potential extension to the ECWE, will be discussed following the targeted review of the long-term sustainability of the City's finances in accordance with the Ontario-Toronto New Deal.
- 9.7 As it relates to the Subway Program only, where this Subway Agreement in Principle and the Preliminary Agreement may be in conflict, paragraphs 9.1, 9.2, 9.3, 9.5, 9.6 and 9.14 of this Subway Agreement in Principle will supersede sections 17 and 18 of the Preliminary Agreement.

*Fare-setting and Integration*

- 9.8 The TTC will set fares for the Projects in accordance with the TTC fare policy and structure for the entire network. The Province will continue to work with the TTC and the City on broader fare and service integration.

*Maintenance Costs*

- 9.9 Unless otherwise agreed to by the Parties as part of further discussions related to the broader operating and maintenance funding roles and responsibilities for the Projects in accordance with paragraph 9.1 and 9.3, the Province will fund lifecycle maintenance for the Program Assets.

*Operations and Maintenance Agreements*

- 9.10 Without limiting the rights and obligations outlined within this Term Sheet, additional details regarding roles and responsibilities for operations, maintenance and funding obligations for the Projects by the parties will be further identified and defined in the Operations and Maintenance Agreements, as applicable.
- 9.11 To ensure operational readiness, Metrolinx and the TTC/City will endeavor to complete the Operations and Maintenance Agreements for the Projects at least two years before revenue service of each Project, as applicable.

*Operation and Maintenance Roles*

- 9.12 Where applicable, the Province and Metrolinx are responsible for ensuring all Program Assets delivered through the Projects are in a state of operational readiness where transitioned to the TTC to operate in sufficient advance time for revenue service. Details will be determined in downstream agreements.
- 9.13 The TTC and Metrolinx will work together to ensure seamless integration of the Projects into existing and planned transit networks. To ensure safe and effective operations, the parties will exercise clear communication and coordinate a system-wide operational approach. Details will be determined in downstream agreements.
- 9.14 The TTC's role as operator of the Projects, with detailed roles and responsibilities, will be further defined in subsequent O&M Agreements in accordance with the following principles:
- a. The TTC is the operator of the Yonge North Subway Extension and the Scarborough Subway Extension as these are extensions to the existing TTC owned and operated subway system.
  - b. The TTC is the operator of the Eglinton Crosstown West Extension (ECWE) which will be operated as an extension of the Eglinton Crosstown Light Rail Transit (ECLRT) project. The O&M roles and responsibilities for ECWE will be developed in consideration of the approach taken for the ECLRT to ensure consistency across the line.

c. The specific functions of TTC's role as operator of the Ontario Line will be determined through ongoing discussions between the Province and the City, along with the TTC and Metrolinx.

9.15 Service levels for the Projects will be established in accordance with TTC service standards and applicable Operations and Maintenance Agreements to support practical integration with the TTC network. The TTC will recommend service level changes for the Projects as required based on the outcomes of the TTC's annual service plan review and in-year requirements, in accordance with the applicable O&M Agreements.

#### **Section 10: Real Estate (including access)**

10.1 The Parties will comply with the provisions set out in the Subway Real Estate Protocol, in respect of accessing, licencing and transferring real property interest by either of the Parties in respect of the Projects.

#### **Section 11: Communications**

##### *Planning, Design and Implementation Phase Only*

11.1 With respect to the Projects, the Province is solely responsible for all aspects of public and stakeholder communications, including but not limited to public enquiries, media enquiries, issues management, announcements, stakeholder consultations, and procurement.

11.2 The Province agrees to use a wide range of tools to convey messages and notifications to the public and to receive questions and comments related to the Projects, including dedicated phone lines, community offices, websites, social media, and Community Liaison Committee meetings.

11.3 The Province shall advise the City and TTC of upcoming public events, news releases or community relations activities as far in advance as possible.

11.4 The Parties agree to engage/collaborate on public communications, as appropriate to build trust and public understanding of the Subway Program.

11.5 The City will provide input to the Province on local interests and concerns through a joint communications group.

11.6 With respect to the Projects, the Province and its agencies are solely responsible for all communications with:

- (a) The Government of Canada; and
- (b) Municipalities outside the City of Toronto and York Region.

11.7 For clarity, the City and/or TTC remains responsible for all public communications in respect of the existing TTC system, including investments carried out through redirected capital funding.

11.8 The Province, through its agent Metrolinx, and TTC will discuss the approach to wayfinding and branding as part of ongoing operations and maintenance discussions and will be confirmed in downstream Operations and Maintenance Agreements.

11.9 The Province is responsible for the promotion of the Projects and will provide promotional material to the City and TTC as necessary.

11.10 The City may issue jurisdiction-specific communication materials on the Projects that have been approved by the Province and/or Metrolinx.

11.11 The Province and City/TTC will jointly manage all communications dealing with Additional Infrastructure and City/TTC infrastructure and assets.

11.12 The Province will be responsible for managing communications within the Province, the Office of the Premier, Ministry of Transportation and the Ministry of Infrastructure. The Province will provide briefing dates, times and materials to the City, through the communications group, in advance of any briefings with local MPPs. The City will be responsible for managing communications within the City, the Office of the Mayor and Toronto City Councillors. The City will provide briefing dates, times and materials to Metrolinx, through the Communications Group, in advance of any briefings with Councillors.

11.13 For clarity, terms related to communications during the operations phase will be dealt with in the future Operations and Maintenance Agreements.

#### **Section 12: Indemnity & Insurance**

12.1 The insurance and indemnities provisions in the Subway Real Estate Protocol will apply to the Subway Program. The Subway Main Agreement may confirm these insurance and indemnity requirements and may also establish new or modified insurance and indemnity requirements. Other agreements related to the Program may also include other insurance and indemnity requirements, including but not limited to the Operations and Maintenance Agreements.