

## **Union Station – Federal/Provincial Funding**

<b>Date:</b>	July 29, 2009
<b>To:</b>	City Council
<b>From:</b>	City Manager Deputy City Manager and Chief Financial Officer
<b>Wards:</b>	Ward 28, Toronto Centre Rosedale
<b>Reference Number:</b>	P:\2009\Internal Services\F&re\Ec09024F&re(a) – (AFS9467)

### **SUMMARY**

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On June 2, 2009 the Executive Committee recommended that the Chief Corporate Officer undertake the Union Station Revitalization Project subject to a number of conditions including confirmation of Federal and Provincial funding.

This report confirms funding commitments from the Federal and Provincial Governments, subject to execution of the related contribution agreements.

### **Financial Impact**

On July 24, 2009 the Federal and Provincial Governments announced their funding in the amount of \$305 million. In addition a letter was received from VIA Rail committing to \$25 million towards the revitalization of their space within the station. Coupled with the Federal Government funding commitment of \$6.5 million for the Transit Secure Program, total contributions from these sources amount to \$336.5 million. The balance of the \$640 million cost of the revitalization, which amounts to \$303.5 million, will be funded by the City.

Details of the City's funding plan for this project are included in EX33.44(a) Confidential Attachment 1 and in a companion report dealing with the recommended Head Lessee.

### **COMMENTS**

This report confirms the funding commitments from the Federal and Provincial Governments towards the revitalization of Union Station as follows:

- a) Federal Government contribution to the Revitalization of Union Station in the amount of \$133 million subject to execution of the Contribution Agreement and Treasury Board approval;
- b) Provincial Government approval of funding in the amount of \$172 million towards the Revitalization;
- c) VIA Rail contribution of \$25 million to be used towards the restoration and revitalization of the VIA Rail space within the station; and
- d) Transit secure funding in the amount of \$6.5 million previously committed.

The VIA Rail funding is to revitalize VIA Rail’s space within the station, including a new First Class lounge, catering facilities and baggage handling system. The combined Federal and Provincial contribution to the revitalization of Union Station is \$336.5 million. The revitalization of Union Station is forecast to be carried out from 2009-2015 at a total estimated cost of \$640 million.

**CONCLUSION**

Staff have concluded a series of negotiations resulting in the funding commitments from both the Federal and Provincial Governments towards the revitalization of Union Station.

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**SIGNATURE**

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