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March 31, 2011

Councillor Mike Del Grande
Chair – Budget Committee
City of Toronto
10th Floor, West Tower, City Hall
100 Queen Street West
Toronto, Ontario
M5H 2N2

Dear Chair Del Grande:

Re: Proposed Reallocation of Section 37 Funds – Ward 38

The TTC is strongly opposed to Councillor De Baeremaeker's proposal to reallocate Section 37 funds from the planned and needed construction of a second entrance to Scarborough Centre RT Station to, instead, provide various other community improvements in his ward. The terms and conditions of that Section 37 agreement should be upheld and enforced, with no amendments, releases, or exemptions granted. This letter should be considered in conjunction with the City Solicitor's report on the same subject.

As part of the planning approval of the Equinox condominiums adjacent to Scarborough Centre Station, the developers, Bionvest Investments Ltd. (a subsidiary of Goldman Group) and Monarch Development Ltd., were required to design and construct an entrance connection and pedestrian bridge at the west end of Scarborough Centre RT Station. Cost estimates have increased from approximately \$825,000 in 2003 to approximately \$1.7 million in 2011.

The TTC is strongly opposed to Councillor De Baeremaeker's proposal to, first, reduce the developers' financial responsibility from the current \$1.7 million to \$850,000 and, secondly, to divert those funds away from the Scarborough Centre RT Station entrance connection and, instead, use them for a combination of library improvements, community centre upgrades, a parking lot, and an Animal Centre.

The pedestrian bridge and west entrance connection are important to the continued growth of transit usage in the Scarborough Centre area, particularly to accommodate existing and future densities to the west of the station. This entrance connection is an integral part of the City's overall pedestrian plan for the Scarborough Civic Centre area, which includes a safe and attractive pedestrian walkway from Brimley Road to Scarborough Centre RT Station, and a pedestrian bridge and entrance connection to the station. We forecast that a new west entrance to the station would be used by approximately 3,000 transit customers per day, growing to 6,000 per day based on projected growth and development in the area between the current station entrance and Brimley Road. Usage could be even higher if new

commercial development also occurs in the area, as called for in the updated secondary plan, or if transit market share in the area increases.

Currently, Scarborough Centre RT Station is the most heavily used rapid transit station in the entire TTC system which has only one pedestrian entrance. A second entrance at the west end of the station will make transit in this area more convenient, accessible and safe, and enhance the critical role of the Scarborough RT in the continued development of Scarborough Civic Centre. The City's Official Plan recognises the importance of such entrance connections by including a policy to negotiate Section 37 benefits for "local improvements to transit facilities including rapid and surface transit and pedestrian connections to transit facilities" (Official Plan Sec. 5.1.1 Policy 6j). The agreement signed in good faith by Bionvest (Goldman) and Monarch for the new west entrance connection to Scarborough Centre RT Station is exactly the type of local-area improvement intended by this policy and represents a significant and perceptible benefit to transit users in the area, achievable through private financing in exchange for significant benefits provided to the developers.

The Section 37 agreement that requires the construction of the bridge and entrance connection was approved by City Council in 2002. That agreement allowed the Bionvest (Goldman)/Monarch developers to build significant additional density in their developments to the south and west of the station and civic centre by linking those developments directly to the station. The convenience and proximity of the promised connection between those developments and the station facilitated the quick sell-out of the condominium units. The developers have now fully realised their projected benefits, specifically, increased densities and the marketing advantages of being located on a rapid transit line. The City, the TTC, and the residents of the Scarborough Centre area should now receive the benefits which they were promised through the fair and open negotiation of that Section 37 agreement. The TTC does not have the funds to build this new entrance itself, so any reallocation of the Section 37 monies would effectively cancel this needed station improvement. Therefore, the terms and conditions of that agreement should be upheld and enforced, with no amendments, releases or exemptions granted.

The TTC requests that the Budget Committee not approve Councillor De Baeremaeker's proposed reallocation of Section 37 transit funds, and that the developers be requested to get on with completing the design and construction of the Scarborough Centre RT Station pedestrian bridge and entrance connection as soon as possible.

Sincerely,



Gary Webster
Chief General Manager

11-31-53

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