



**STAFF REPORT  
ACTION REQUIRED**

**Metrolinx-City of Toronto-Toronto Transit Commission  
Master Agreement for Light Rail Transit Projects**

<b>Date:</b>	October 23, 2012
<b>To:</b>	City Council
<b>From:</b>	City Manager
<b>Wards:</b>	All
<b>Reference Number:</b>	

**SUMMARY**

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At its meetings on February 8, 2012, and March 21 and 22, 2012, Toronto City Council confirmed support for the implementation of a Finch West LRT, Eglinton Crosstown LRT, Scarborough RT replacement, and a Sheppard East LRT (collectively the "Transit Projects") and authorized the City Manager to enter into a Master Agreement with Metrolinx and the TTC. On April 25, 2012 the Board of Directors of Metrolinx authorized Metrolinx to proceed with the implementation of the Council supported Transit Projects, and authorized staff to finalize and execute definitive legal agreements with the City and TTC. At a meeting of the TTC held on May 30, 2012, the TTC recognized that Alternative Financing Delivery is a viable model to deliver transit infrastructure, and directed staff to expedite the signing of a Master Agreement.

The Toronto City Manager, the Metrolinx Chief Executive Officer, and the TTC Chief Executive Officer have now finalized a Master Agreement which defines the terms and conditions for the construction and operation of the transit lines. Metrolinx will acquire, own and control the assets of the Transit Projects and use the Alternative Financing and Procurement (AFP) framework managed by Infrastructure Ontario to deliver the Transit Projects. On October 3, 2012, the TTC and Metrolinx agreed to the principles of an operating arrangement for the TTC to operate the transit lines, which principles are included in the Master Agreement. Metrolinx and Infrastructure Ontario will apply a Design Build Finance Maintain (DBFM) model to deliver the Transit Projects. The City will have final authority over its infrastructure, and City staff will be included in the procurement, design and construction phases for the Transit Projects, as well as be afforded opportunities for upgrade and enhancements to City infrastructure and the public realm.

This report seeks the Council approvals required to carry out the implementation of the Transit Projects and discloses key terms found within the Master Agreement, including on how the City, Metrolinx and the TTC will proceed on environmental assessments, real estate transactions, and dispute resolution. Furthermore, the report apprises Council of the principles and protocols governing City, Metrolinx and TTC operating relationships to deliver the Transit Projects.

## **RECOMMENDATIONS**

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The City Manager recommends that:

1. City Council authorize the City Manager, on behalf of the City, to consent to Metrolinx's request to the Minister of the Environment to take all actions required to substitute Metrolinx for the City and the TTC as the sole proponent of the following Environmental Project Reports:
  - a. Eglinton Crosstown Light Rail, Transit Process Assessment Study, March 2010;
  - b. Etobicoke-Finch West Light Rail Transit, Transit Project Assessment, Environmental Project Report, March 2010; and
  - c. Scarborough Rapid Transit Environmental Project Report, Transit Project Assessment Study, August 2010, updated October 2010.
2. City Council take the following actions required to implement the real estate transactions identified in the Master Agreement:
  - a. City Council exempt from the requirements of City of Toronto Municipal Code, Chapter 213, Sale of Real Property those lands determined by the Chief Corporate Officer to be required for the implementation of the Transit Projects, including the Agincourt Grade Separation Project (the "Transit Lands");
  - b. City Council permanently close and exempt any of the Transit Lands constituting public highway from the requirements of Chapter 162 of the Toronto Municipal Code;
  - c. City Council direct the appropriate City staff to advise the public of the proposed closures of any Transit Lands, prior to implementation, in accordance with the requirements of the Municipal Class Environmental Assessment for Schedule "A+" activities, by posting notice of the proposed closures on the notices page of the City's web site;
  - d. City Council grant easements for services and utilities in the Transit Lands for nominal consideration in accordance with the terms of the Real Estate Principles in the Master Agreement;

- e. City Council delegate authority to the Chief Corporate Officer to approve the disposal to Metrolinx of certain Transit Lands for nominal consideration, in accordance with the Real Estate Principles identified in the Master Agreement, on terms satisfactory to the Chief Corporate Officer, including the reservation of any easements necessary to protect existing City services, and in a form acceptable to the City Solicitor;
  - f. City Council authorize, as the approving authority under the Expropriations Act, the Chief Corporate Officer to dispose of those Transit Lands acquired by expropriation without giving the owner from whom the land was expropriated the first chance to repurchase the land on the terms of the best offer received by the expropriating authority;
  - g. City Council exempt the disposition of the Transit Lands from policies generally applicable to the disposal of City land and authorize the Chief Corporate Officer to enter into such additional or other agreements or documents and to do all things deemed appropriate as may, in the opinion of the Chief Corporate Officer or the City Solicitor, be desirable to give effect;
  - h. City Council authorize the Director of Real Estate Services to serve and publish Notices of Application for Approval to Expropriate any property interests required to implement the Transit Projects, to forward to the Chief Inquiry Officer any requests for hearing that are received, to attend the hearings to present the City's position and to report the Inquiry Officer's recommendations to City Council for its consideration;
  - i. City Council authorize the City Solicitor to complete the transactions on behalf of the City, including paying any necessary expenses, amending the closing and other dates, and amending and waiving terms and conditions, on such terms as she considers appropriate; and
  - j. City Council authorize the Chief Corporate Officer to consent on behalf of the City, as owner, to the submission of applications and documents required in connection with any regulatory approvals in respect of the Transit Lands and each of the Chief Corporate Officer and the Director of Real Estate Services be authorized severally to execute any documents required to give effect.
3. City Council agree to a binding dispute resolution process in the Master Agreement as described in this report to deal with disputes involving the allocation of costs between the parties in respect of City infrastructure.
  4. City Council authorize the City Manager to oversee coordination of the appropriate City divisions and the TTC relative to City responsibilities until the completion of the Transit Projects, and to report back to Council on any operational or capital funding requirements resulting from the implementation of the Transit Projects.

## Financial Impact

The Master Agreement is the principal agreement among the City of Toronto, TTC and Metrolinx required to implement the \$8.7 B provincial and federal funded commitment to deliver the Transit Projects.

Metrolinx is the owner, manager, and funder of the Transit Projects and is responsible for their subsequent operation and maintenance. The City's contractual relationship is with Metrolinx, although Metrolinx expects to use Infrastructure Ontario as its procurement agent for all contracts for the design, build, finance and maintenance of the Transit Projects. Metrolinx has also entered into an Agreement in Principle with the TTC to operate the transit lines.

The Transit Projects will be constructed and operated primarily on City lands. Under the terms of the Master Agreement, all City infrastructure disrupted by the project will be replaced by Metrolinx at its cost to the current City standard, with the exception of any City infrastructure replacements that are included in the City's five year capital program (2013-2017).

The City therefore has limited direct funding responsibility for these projects. However, under the terms of the Master Agreement and its schedules, the City could undertake certain contributions for infrastructure improvements and project works that could result in some, but as yet undetermined, capital costs. The potential costs are as follows:

*Real Estate:* The City will transfer the necessary property interests to Metrolinx for the Transit Projects. These consist primarily of easements within the City's right-of-way both underground, for tunnels and stations, and for surface routes and stops to be transferred to Metrolinx for nominal consideration. Also included are certain property fragments owned by the City but with little commercial value to be used mainly for utility relocations. Other City property required for the Transit Projects will be transferred to Metrolinx at market value.

*Infrastructure Improvements:*

- (i) where municipal infrastructure is disturbed, relocated, or rebuilt, the City may wish to consider enhancement and/or upsizing, for the incremental cost of the upgrade. For example, future intensification in the vicinity of the transit lines may warrant making water and sewer modifications necessary to provide increased capacity, Some of these related costs may already be identified in the 2012-2016 capital program;
- (ii) where road alignments and cross sections have been rebuilt such as at new stops or stations, the City may want to consider upgrades to the related public realm. Under the agreement, Metrolinx will provide an allowance estimated at approximately \$100 million, including \$10 million for public amenities within stations, which will be spent, in consultation with the City, on public realm enhancements. Any costs for public realm enhancements beyond this amount will be borne by the City; and
- iii) where there is a dispute between Metrolinx and the City in respect of the allocation of costs for the construction of City infrastructure by Metrolinx, a proposed dispute resolution process will culminate in an appeal to a third party expert panel for binding resolution.

New and accelerated infrastructure improvement costs associated with the Transit Projects will be new pressures on the City's capital program budgets, and will need to be addressed in future submissions. If appropriate, staff may in future recommend identifying a capital allocation for contingencies and increased delegated approvals as part of the budget process to allow City staff to respond quickly to unforeseen events, including opportunities, impacting City infrastructure or property.

*Revenue Sharing:* A schedule to the Master Agreement will be developed by the parties prescribing how transit fare revenues will be shared once the Transit Projects are constructed and ready for revenue service.

*Staffing:* The City will dedicate staff resources to enable timely Metrolinx project reviews and to minimize delays, construction costs and disruptions to Toronto residents and businesses. Under the Master Agreement, incremental City staff costs will be borne by Metrolinx. The implementation of the Transit Projects may require additional dedicated staff members to be hired on an expedited basis at the discretion of the City Manager.

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

## **DECISION HISTORY**

At its meeting on September 30 2009, City Council adopted report EX 34.11a “*Interim funding Agreement with Metrolinx and TTC – Transit City*” and authorized the City Manager to enter into a memorandum of agreement on behalf of the City, with Metrolinx and the TTC ("MOA"), to provide funding to continue the planning, design, engineering, property acquisition and construction of the Sheppard East LRT, Finch West LRT, Eglinton Crosstown LRT, and Scarborough RT projects in advance of longer term agreements. The MOA expires on December 31, 2012.

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-23005.pdf>

<http://www.toronto.ca/legdocs/mmis/2009/ex/bgrd/backgroundfile-23266.pdf>

<http://www.toronto.ca/legdocs/mmis/2009/cc/decisions/2009-09-30-cc40-dd.htm>

At a special meeting held February 8, 2012, City Council affirmed its support for light rail transit priority plan for Toronto and the early implementation of the Finch West LRT, Eglinton Crosstown LRT, and Scarborough RT, and authorized the City Manager to execute any and all agreements in connection with these transit lines.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.CC17.1>

At a special meeting of City Council held March 21 and 22, 2012, Toronto City Council, in part, confirmed that LRT is the preferred rapid transit mode for Sheppard East LRT as a priority line, and authorized the City Manager to enter into a Master Agreement on behalf of the City with Metrolinx and TTC, and any agreements or documents between the City, Metrolinx any other parties as may be required, desirable or necessary in respect of the Transit Projects, on terms satisfactory to the City Manager, in consultation with the Deputy City Manager and Chief Financial Officer and any other relevant official, and in a form acceptable to the City Solicitor.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2012.CC20.1>

## ISSUE BACKGROUND

Metrolinx was created by the Province of Ontario in 2006 to develop a Regional Transportation Plan, to identify and prioritize transportation and transit projects, and to create an integrated transportation and transit system in the Greater Toronto and Hamilton Area.

On November 28, 2008, Metrolinx adopted the regional transportation plan, called “The Big Move”, which includes certain projects as part of Metrolinx’s list of “Top 15” priority projects.

On February 8, 2012, Toronto City Council affirmed its support for light rail transit priority plan for Toronto and the early implementation of the Finch West LRT, Eglinton Crosstown LRT, and Scarborough RT. On March 21 and 22, 2012, City Council confirmed that LRT is the preferred rapid transit mode for Sheppard East LRT as a priority line. The City Manager was authorized to enter into a Master Agreement on behalf of the City with Metrolinx and TTC in respect of the Transit Projects.

On April 25, 2012 the Metrolinx Board of Directors authorized Metrolinx to proceed with the implementation of the Transit Projects and authorized staff to finalize and execute definitive legal agreements with the City and TTC.

At a meeting of the TTC held on May 30, 2012, the TTC considered a report entitled *LRT Projects in Toronto-Project Delivery*, and recognized that Alternative Financing Delivery is a viable model to deliver transit infrastructure. The TTC directed staff to expedite the signing of a Master Agreement.

On June 29, 2012, the Province of Ontario approved Metrolinx’s transit plan and set the following construction timelines for the Transit Projects:

- The Eglinton Crosstown LRT from Black Creek to Kennedy Station, in respect of which work is already underway and is to be completed by 2020;
- The Scarborough RT replacement and extension to Sheppard Avenue, in respect of which work is to begin in 2014 and to be completed by 2020;
- The Finch West LRT from the Toronto-York-Spadina Subway extension to Humber College, in respect of which work is to begin in 2015 and to be completed by 2020; and
- The Sheppard East LRT from Don Mills station to east of Morningside Avenue, in respect of which work is to begin in 2017 and to be completed by 2021.

The Toronto City Manager, the Metrolinx Chief Executive Officer, and the TTC Chief Executive Officer have now finalized a Master Agreement which defines the terms and conditions for the construction and operation of the transit lines. Metrolinx will acquire, own and control the assets of the Transit Projects and use the Alternative Financing and Procurement (AFP) framework managed by Infrastructure Ontario to deliver the Transit Projects. The City will have final authority over its infrastructure and the TTC will have final authority over its infrastructure.

On October 3, 2012, the TTC and Metrolinx agreed in principle that the TTC will operate the new transit lines and have further agreed to jointly develop an operating agreement that will set

out the terms of the TTC's operation of the transit lines. The agreed upon principles, include the following:

- The TTC will operate the transit lines on behalf of Metrolinx;
- The initial operating agreement between Metrolinx and TTC will have a 10-year term, which may be extended with the agreement of both parties; and
- The future operating agreement between Metrolinx and TTC will include details such as fare sharing including a methodology for determining its implementation, fare setting, and operating subsidies.

Metrolinx and Infrastructure Ontario will apply a Design Build Finance Maintain (DBFM) model to deliver the Transit Projects.

## **COMMENTS**

The \$8.7 billion investment by Metrolinx through the construction of the Transit Projects will benefit Toronto's economy by creating jobs and by significantly expanding public transit capacity in Toronto which addresses congestion and encourages transit oriented development.

The Master Agreement between the City, TTC and Metrolinx defines the long-term roles, responsibilities and relationships for the delivery of the Transit Projects. The Master Agreement includes protocols providing greater detail on financial approvals and procurement, property acquisition, communications, dispute resolution and governance.

The Master Agreement is premised on the following fundamental principles:

1. Metrolinx will acquire, own and control the assets of the Transit Projects.
2. Metrolinx will have final decision-making authority over the scope, schedule and budget of the Transit Projects.
3. Metrolinx, the City and the TTC will work collaboratively and consult with each other to build the Transit Projects in accordance with the terms and protocols set out in the Master Agreement.
4. Metrolinx, the City and the TTC will each have final authority over the design, construction and operation of their respective assets.
5. Metrolinx, the City and the TTC will perform their obligations promptly and diligently to ensure that the Transit Projects are completed on time and on budget.
6. Metrolinx will endeavour to build the Transit Projects in such a way as to minimize disruption to the City and the TTC during construction, and to facilitate urban intensification along the transit corridors in the future.

7. The TTC is owner and/or operator of the TTC infrastructure at Interchange Stations and the future operator of the transit lines, pursuant to a contract between Metrolinx and the TTC.

## **1. Environmental Assessments**

To date, the City and the TTC have been co-proponents of the Environmental Project Reports for the Eglinton Crosstown LRT, Scarborough RT and Finch West LRT. As the City will no longer own the Transit Projects, the City and TTC are no longer appropriately the co-proponents. Accordingly, this report seeks authority for the City to consent to an application by Metrolinx to the Minister of the Environment to take all necessary steps to replace the City and the TTC as co-proponents with Metrolinx as the sole proponent of the three Environmental Project Reports.

The environmental assessment process for the Sheppard LRT was initiated differently than the other three transit lines. City staff will report to Council, as required, on the environmental assessment process related to the Sheppard LRT at a later date.

## **2. Real Estate**

Metrolinx and the City will work cooperatively to acquire all property necessary to implement the Transit Projects. Metrolinx is responsible for all property acquisition utilizing the City's property acquisition unit, created for this project and fully funded by Metrolinx. One of the schedules to the Master Agreement is a protocol that identifies the roles and responsibilities among the parties with respect to the acquisition of both private property interests and City property required to implement the Transit Projects.

As noted above, Metrolinx has been clear that it requires ownership of all transit assets, including the property on which the transit lines are operated. Where the transit lines are located within the City right-of-way, Metrolinx has agreed that a permanent easement will satisfy this ownership requirement. Metrolinx has requested that a stratified easement with an identified upper and lower limit sufficient for the transit operations (either at grade for the "transit way" or below grade for the tunnels and stations) be transferred to Metrolinx by the City for nominal consideration. In exchange, all road widening required as a result of the introduction of the transit way will be transferred to the City at Metrolinx's expense.

The easement will be on standard terms, satisfactory to the City Solicitor, to be used only for the construction, operation and maintenance of the transit lines. It will be non-exclusive allowing existing utilities or other services to remain in place and reserving access for emergency services, and reconstruction, repair and maintenance of existing utilities and city services. Neither the easement nor the Master Agreement can be assigned by Metrolinx without the City's consent, not to be unreasonably withheld, except to the Government of Ontario or a provincial crown agency.

City property outside the City right-of-way that is identified for construction of transit assets will be acquired by Metrolinx from the City at market value with one exception. Vacant City lands not required for City purposes or identified for redevelopment will be transferred to Metrolinx for nominal consideration for both temporary and permanent requirements. The majority of these



transfers will relate to utility relocations out of the right of way to make room for the tunnels and for temporary work sites. Metrolinx will adhere to City policies dealing with parks where park lands are required. A series of recommendations grouped together in Recommendation 2 will allow City staff to implement the real estate principles and protocol contained in the Master Agreement.

### **3. Dispute Resolution Process**

The Master Agreement provides for a dispute resolution process whereby disputes are referred to a Program Committee. Matters which cannot be resolved by the Program Committee will be referred to an Executive Committee for resolution. The composition of these committees is described under the Governance section below.

In respect of matters involving the allocation of costs between the City and Metrolinx in respect of City infrastructure to be built by Metrolinx, if the Program Committee and the Executive Committee are unable to resolve the dispute, any party may refer the dispute to a Dispute Resolution Board. The Board will be selected by Metrolinx and the City from a Dispute Resolution Panel composed of independent professionals with experience and knowledge in the design and construction of the Transit Projects and municipal infrastructure.

The Dispute Resolution Board will determine cost allocation on the basis of the principles of cost allocation agreed to by the parties in the Master Agreement and the decision of the Dispute Resolution Board will be binding on the parties. Construction will not be suspended pending resolution of the dispute.

### **4. Project Implementation**

The construction of the Transit Projects will have significant impacts on Toronto and its residents, and will require cooperation among the parties on matters including procurement, protection of City infrastructure, City planning, communications and public engagement, traffic management, staffing, and scope changes. The Master Agreement includes implementation processes to be formally put in place to address any potential negative impacts and to confirm the City's role in project implementation.

#### Procurement

Metrolinx will use the Alternative Financing and Procurement (AFP) framework managed by Infrastructure Ontario to deliver the Transit Projects. Metrolinx and Infrastructure Ontario will apply a Design Build Finance Maintain (DBFM) model to deliver the Transit Projects.

Metrolinx will be responsible for the preparation, issuance and award of construction contracts for all work on the Transit Projects. Metrolinx and Infrastructure Ontario will work with the City and the TTC to draft that portion of the procurement documents pertaining to City and TTC infrastructure, including performance specifications and urban design guidelines. The City and the TTC will participate in the review of submissions to the requests for proposals issued for

each of the Transit Projects. Metrolinx will ensure that the contractor selected for the construction of the Transit Projects is bound by the terms of the Master Agreement.

#### Protection of City Infrastructure, City Infrastructure Enhancements, and Public Realm Improvements

Metrolinx will protect, repair, relocate and replace all City infrastructure that may be impacted by the Transit Projects. All work that may be required to repair, relocate or restore City infrastructure to the pre-construction service levels, and at the current standards, will be completed and paid for by Metrolinx, with the exception of work identified in the City's five-year 2013-2017 capital program to which the City will make a financial contribution.

Construction of the Transit Projects present an opportunity for the City to enhance capacity, service levels or standards of City Infrastructure at the time of its relocation or restoration by Metrolinx. If the City takes advantage of the opportunities presented to it by Metrolinx, the City will pay Metrolinx for the incremental costs of infrastructure upgrades. The City Manager will report back to Council with recommended enhancements to City infrastructure and seeking any required budgetary approvals.

In the case of at-grade infrastructure, Metrolinx will dedicate an amount estimated at approximately \$100 million, including \$10 million for public amenities within stations, as an allowance for public realm improvements beyond the replacement of City Infrastructure to the current City standard. The City will be responsible for funding any public realm improvements that it wishes to introduce following construction of the Transit Projects.

#### City Planning Process

The Transit Projects will be constructed mainly within the City's right-of-way and will have significant impacts on City services and infrastructure. As such, Metrolinx has agreed to follow a City processes and approvals protocol to be included as a schedule to the Master Agreement. For City infrastructure and any Transit Project infrastructure being constructed on City lands, Metrolinx will obtain all necessary City approvals and permits and the City will have the ultimate approval authority. For project infrastructure not on City lands, Metrolinx has agreed to follow a process equivalent to site plan review and work cooperatively with the City, but in the event of a dispute Metrolinx has the final approval authority over its assets.

#### Communications and Public Engagement

Metrolinx, the City and the TTC have negotiated a protocol to guide communications and community engagement during construction. The three parties will work cooperatively to provide accurate and timely information to the public. Metrolinx will serve as the lead agency responsible for communications and community engagement.

The City will participate in the development of key messages for the public, especially with respect to impacts that will be felt by residents and business within the city.

A wide range of tools will be used to convey those messages and notifications to the public, and to receive questions and comments, including store-front offices, signage, websites and social media.

### Traffic Management

The Master Agreement sets out the need for the mitigation of impacts on pedestrian and vehicle mobility including TTC operations, traffic movement and parking. To minimize disruption, Metrolinx or the project contractor will prepare pedestrian, parking and traffic management plans that will be in force during the construction of the Transit Projects. These plans will be submitted to the City for review and approval before beginning construction.

### Staffing Requirements

Staff working groups have been created to ensure a co-ordinated, efficient and timely response to Metrolinx with respect to design and construction, and communications and public consultation, in support of the Transit Projects.

Metrolinx will fund both the TTC and City's staffing and consulting costs in relation to the Transit Projects. The City will provide Metrolinx with a staffing forecast for approval by Metrolinx, which will be reflected in the operating budgets of the affected City division.

The implementation of the Transit Projects may require additional dedicated staff members to be hired on an expedited basis. The costs related to the hiring of additional staff or consultants will be paid by Metrolinx. In such cases, the City Manager, or the responsible Deputy City Manager or division head, as applicable, will report back to Council, through the budget process on any related budget variances that may be required.

### Governance

The Master Agreement establishes two committees to address matters arising from the Agreement. The Program Committee is comprised of Metrolinx's Executive Vice President of the Rapid Transit Division, the Senior Vice President of Infrastructure Ontario with responsibility for the Transit Projects, the City of Toronto's Deputy City Manager of Cluster B, and the TTC Chief Capital Officer, and will meet at regular intervals. The Executive Committee will meet on an as-needed basis and is comprised of Metrolinx's President and Chief Executive Officer of Metrolinx, the City of Toronto City Manager, and the TTC's Chief Executive Officer.

### Scope Changes

Metrolinx must advise the Program Committee of any material changes to the scope of the Transit Projects. The Program Committee, with the assistance of the Executive Committee will try to reach a mutually agreeable solution including a possible change to the description and scope of the Transit Project. Metrolinx has final authority over scope changes.

A “material change” is defined in the Master Agreement for this purpose as the following:

- the reduction or elimination of any station;
- the reduction or elimination of any stop;
- any change to the below or above grade portions of a project;
- any change to the distance between stops on a project;
- any change which requires an amendment to the Environmental Project Reports. In determining whether a change to the Environmental Assessment is material Metrolinx must consider as assessment criteria the natural environment, emissions, socio-economic factors, cultural factors, and transportation.

### Operation of Transit Lines

The TTC and Metrolinx have agreed on the principles relating to the TTC's operation of the transit lines. The Master Agreement requires that an operating agreement will be prepared between Metrolinx and the TTC that will set out more specific terms of the TTC's operation of the transit lines. The TTC will operate the transit lines on behalf of Metrolinx. The initial operating agreement between Metrolinx and TTC will have a 10-year term, which may be extended with the agreement of both parties. The agreement between Metrolinx and TTC will include details such as fare sharing including a methodology for determining its implementation, fare setting, and operating subsidies

## **CONCLUSION**

The Master Agreement among Metrolinx, the City of Toronto, and the TTC defines the roles, responsibilities, and relationships for the construction and operation of the Sheppard East LRT, Finch West LRT, Eglinton Crosstown LRT, Scarborough RT replacement, and related maintenance and storage facilities.

Metrolinx will acquire, own and control the assets of the Transit Projects, TTC will operate the transit lines, and the City and the TTC will have final authority over their infrastructure. The Master Agreement provides opportunities for City and TTC staff to be included in the procurement, design and construction phases for the Transit Projects and safeguards for protection of City and TTC infrastructure and services as well as opportunities for upgrade and enhancements to infrastructure and the public realm. The protocols will provide comfort to Metrolinx, the City, and the TTC that clearly defined processes will be followed within identified timelines. Metrolinx, the City and the TTC will work collaboratively and consult with each other to develop and build top-quality public transit for the public while minimizing disruption throughout construction. The City Manager's Office will oversee coordination of the appropriate City divisions and the TTC relative to City responsibilities until the completion of the Transit Projects.

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## **SIGNATURE**

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