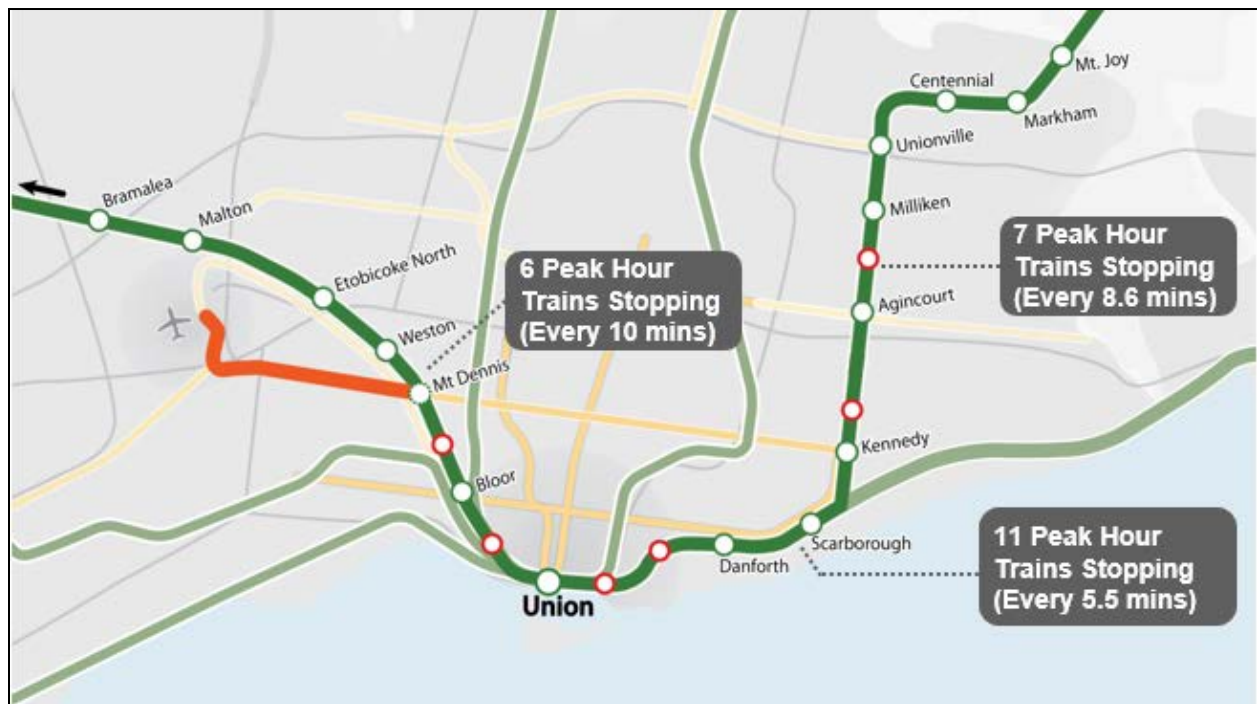


SMARTTRACK STATIONS PROGRAM –TERMS & CONDITIONS

1. Background

In December 2016, City Council approved a Summary Term Sheet and authorized the City of Toronto to enter into an Agreement in Principle ("AIP") with the Province of Ontario with respect to SmartTrack and a range of other transit related matters between the parties. A "Stage Gate Process" developed by the City and the Province that allows for key decisions at defined stages of the project, and principles with respect to the funding and delivery of SmartTrack. SmartTrack includes two components—the SmartTrack Stations Program and the extension of the Eglinton West LRT. This attachment addresses only the SmartTrack Stations Program.

Figure 1. SmartTrack Stations Program Service Concept.



The Stage Gate Process for the SmartTrack Stations Program, established a series of conditions for the City and Province to assess whether or not both parties are satisfied in order to proceed through the next decision gate. In consultation with Metrolinx and the Ministry of Transportation, the principles established in November 2016 for the SmartTrack Stations Program have been further elaborated in Table 1, SmartTrack Stations Program Terms and Conditions.

The Stage Gate 5 conditions are:

- Mutual agreement on governance and dispute resolution (see Table 1, item #11);
- Agreement on foundational station design requirements (see Table 1, item # 1);
- Validation of costs associated with the construction of the SmartTrack stations and SmartTrack operating and maintenance (see Table 1, item # 4);
- Fare setting for SmartTrack will be combined with fare integration and consider specific City Council requests (see Table 1, item # 3);
- Consideration of through-service at Union Station (see Table 1, item # 2);
- Treatment of federal funding of SmartTrack (see Table 1, item # 7); and
- Confirmation of federal funding for the Scarborough Subway Extension.¹

The terms outlined in Table 1 do not apply to the Eglinton West LRT extension, Regional Express Rail or other projects and programs.

2. SmartTrack Stations Program Implementation Agreement

2.1 Definitions

- SmartTrack Stations Program: The SmartTrack Stations Program includes six new SmartTrack Stations located at Finch-Kennedy, Lawrence-Kennedy, Gerrard-Carlaw, East Harbour, King-Liberty and St. Clair-Old Weston. It is recommended the SmartTrack Stations Program include the Base Stations Infrastructure and recommended City-Initiated Station Requirements.
- Base Stations Infrastructure: The basic station components that are required to implement a fully functioning station that meets Metrolinx's Design Requirements Manual, 2016 GO Rail Station Access Plan and emerging station design guidelines. For more information, see Appendix 1 – Infrastructure Categories.
- City-Initiated Station Requirements: City-Initiated Station Requirements are infrastructure above the Base Stations Infrastructure required to better serve the communities surrounding the SmartTrack Stations. City-Initiated Station Requirements address the conditions of Toronto's urban context. Stations in urban communities are accessed by TTC, walking and cycling, all of which require additional connections and entrance points. These requirements are either requested by City Council through the early planning and design phase or recommended by City staff. These additional station infrastructure components have been integrated into the design of the SmartTrack Stations. For more information, see Appendix 1 – Infrastructure Categories.

¹ \$660 million in federal funding committed to SSE identified in Phase 2 Federal Funding. See March 14, 2018, Ontario News Release: <https://news.ontario.ca/moi/en/2018/03/canada-and-ontario-to-make-significant-infrastructure-investments-that-will-improve-the-lives-of-can.html>

2.2 Implementation Terms and Conditions

Table 1. SmartTrack Stations Program Terms and Conditions

Item	SmartTrack Stations Program Terms and Conditions (Subject to City Council Approval)
<p>1. Infrastructure Scope</p>	<p>1.1. The SmartTrack Stations Program is the incremental infrastructure the City is nominating and funding above and beyond the Province’s planned investments in the Regional Express Rail Program, and can be defined strictly as six stations located at Finch-Kennedy and Lawrence-Kennedy on the Stouffville GO corridor, Gerrard-Carlaw and East Harbour on the Stouffville/Lakeshore East GO corridor, and King-Liberty and St. Clair-Old Weston on the Kitchener GO corridor.</p> <p>1.2. The agreed to station scope requirements determined by the Province/Metrolinx and the City is illustrated in the draft Reference Concept Design (RCD) drawings in Attachment 3, and represent station design at the 10% design level, the standard level of design that is used to maximize the benefits of an Alternative Finance and Procurement (AFP). Attachment 3 RCD drawings depict the “Base SmartTrack Station Infrastructure” and “City-Initiated Station Requirements”.</p>
<p>2. Service Concept</p>	<p>2.1. The City and Metrolinx will enter into an MOU/agreement that commits to the minimum level of planned service at the SmartTrack stations as depicted in Figure 1.</p> <p>2.2. The planned GO RER-level service contemplates through service at Union Station.</p>
<p>3. Fare</p>	<p>3.1. As outlined in the AIP, Section 1.6, “fare setting for SmartTrack service will be combined with the broader Provincial GO Transit regional fare integration framework, and address the fare related requests from the City made in July 2016 per City staff report EX16.1, titled ‘Developing Toronto’s Transit Network Plan to 2031’”. Specifically:</p> <p>3.1.1. Reduce GO Transit’s base fare component and increase the distance component;</p> <p>3.1.2. Provide riders using transit in Toronto, with the same GO Transit co-fare option on the TTC as riders starting trips in other GTHA municipalities have.</p> <p>3.2. The City of Toronto, the TTC and Metrolinx entered into a Discounted Fare Agreement in January 2018, whereby PRESTO users receive a discount or credit on their fare upon transferring between TTC and GO/UP Express. This responds to item 3.1.1.</p> <p>3.3. In March 2018, the Province of Ontario in Budget 2018 announced that “All GO Transit trips within Toronto will cost</p>

Item	SmartTrack Stations Program Terms and Conditions <i>(Subject to City Council Approval)</i>
	<p>PRESTO card users just \$3 per trip."² The Budget also identified funding to come from carbon allowance proceeds. This responds to item 3.1.2.</p>
4. SmartTrack Station Program Costs	<p><u>Capital Costs</u></p> <p>4.1. The City commits to contribute up to \$1.195 B (YOES³) for the “Base Station Infrastructure” for the SmartTrack Stations Program, and is inclusive of all related projects costs, including but not limited to planning, design, capital, financing, risk, AFP, contingency, escalation, project management and property acquisition costs.</p> <p>4.2. The City commits to contribute up to \$268 M (YOES) for the “City-Initiated Station Requirements”, and is inclusive of all related projects costs, including but not limited to planning, design, capital, financing, risk, AFP, contingency, escalation and project management costs. As outlined in Appendix 1 of this Attachment, these requirements have been integrated into the station design and will be delivered as part of the SmartTrack Stations Program procurement.</p> <p>4.3. Metrolinx will enter into a cost-recovery agreement directly with any third party for infrastructure components requested that are above the Base Station Infrastructure design.</p> <p>4.4. The City’s contribution amounts are based on validated capital cost estimates by a third party.</p> <p><u>Operating and Maintenance Costs and Revenue Sharing</u></p> <p>4.5. Per the AIP section 1.4 and 1.5, the Province/Metrolinx with the City agreed to further discuss the incremental operating and maintenance costs and revenue associated with the SmartTrack Stations Program in tandem. Metrolinx will assume full responsibility for operating and maintenance costs associated with the SmartTrack Stations Program and retain all related revenues as Metrolinx can achieve economies of scale in costs, including marketing and benefits from lowering the base GO fare. The City of Toronto has no financial obligations with respect to the SmartTrack Stations Program beyond those identified in 4.1 and 4.2.</p> <p><u>Lifecycle Maintenance Costs</u></p>

² 2018 Ontario Budget: A Plan for Care and Opportunity (p.126) <http://budget.ontario.ca/2018/budget2018-en.pdf>

³ Year of Expenditure (YOE)

Item	SmartTrack Stations Program Terms and Conditions <i>(Subject to City Council Approval)</i>
	4.6. Per the AIP section 1.7, the Province as the owner of the SmartTrack Stations Program is responsible for lifecycle maintenance costs
5. Real Estate	<p><u>SmartTrack Stations Program – Privately Held Properties</u></p> <p>5.1. Privately-held properties required for the SmartTrack Stations Program have been included in the Base Station Infrastructure capital costs identified above in section 4.1.</p> <p>5.2. The property acquisition work for the SmartTrack Stations Program will be done by Metrolinx.</p> <p>5.3. As outlined in the AIP section 1.8, “all severable air rights associated with the privately-held properties will be transferred to the City.” The parties will endeavour to determine what rights are so severable.</p> <p>5.4. In the event the SmartTrack Stations Program does not proceed, Metrolinx will either transfer the lands acquired for the Program to the City for resale, or provide fair market value to the City.</p> <p><u>SmartTrack Stations Program – Province/Metrolinx Owned Properties</u></p> <p>5.5. As outlined in the AIP section 1.8, “where the Province/Metrolinx currently owns land required for new stations, no land acquisition contributions will be required from the City, and any air rights associated with these properties will remain with Metrolinx, or as otherwise already deeded, if previously severed”.</p> <p><u>SmartTrack Stations Program – City-Owned Properties</u></p> <p>5.6. With respect to City properties required for the SmartTrack Stations Program, as outlined in the AIP section 1.8, the City will retain the air rights and other rights required for the development of the site and transfer the remainder of the property to Metrolinx at a nominal value.</p> <p>5.7. In the event the SmartTrack Stations Program does not proceed, City lands transferred to Metrolinx will be returned to the City in the condition Metrolinx originally received.</p> <p><u>Privately-Held Properties Related to Additional City Infrastructure</u></p> <p>5.8. Privately-held properties required for Additional City Infrastructure projects that are to be procured with the SmartTrack Stations Program will be acquired by the City’s</p>

Item	SmartTrack Stations Program Terms and Conditions <i>(Subject to City Council Approval)</i>
	<p>Real Estate Services group because the City is the owner of the assets.</p> <p><u>Transit Oriented Development</u></p> <p>5.9. Both parties recognize the importance of enabling transit oriented development as part of the SmartTrack Stations Program and RER Program investments. Both parties agree to work together on a framework for advancing transit-oriented development as part of the procurement process.</p> <p>5.10. As part of the development of a framework for enabling transit-oriented development, both parties will review the site-specific property ownership arrangements in the interest of achieving transit-oriented development, subject to all necessary municipal approvals.</p>
6. City Contribution Payment Terms	<p>6.1. The majority of the City's financial contribution will be made at the substantial completion of the project, anticipated in 2025, subject to the City being satisfied that the service concept as defined in item 2 will be met.</p>
7. Federal Funding	<p>7.1. Federal funding under the Public Transit Infrastructure Fund (PTIF) Phase 2 associated with the SmartTrack Stations Program will be distributed to the City of Toronto and disbursed to Metrolinx in accordance with the Payment Terms outlined above.</p> <p>7.2. The Province of Ontario will support the City's application for federal funding under PTIF Phase 2. The City and Province will seek confirmation of federal funding prior to the issuance of the Request for Proposals (RPF) for the program.</p>
8. Procurement	<p>8.1. The SmartTrack Stations Program will be procured as a Design-Build-Finance (DBF) contract by Metrolinx/ Infrastructure Ontario, and within similar timeframes as the Regional Express Rail Program.</p> <p>8.2. Metrolinx and the City will jointly work together through the procurement process for the SmartTrack Stations Program and related City infrastructure before the RFP is issued. This joint work includes, any further design work, finalizing the RCD and Project Specific Output Specifications (PSOS) documentation. The City will have final sign-off on the PSOS documentation for the SmartTrack Stations Program.</p> <p>8.3. The City will have the opportunity to review station designs and design for City Infrastructure at predetermined design milestones (e.g., 30% completion; 60% completion, and 100% final design).</p>

Item	SmartTrack Stations Program Terms and Conditions <i>(Subject to City Council Approval)</i>
	8.4. The City will be on the evaluation panel to verify, among other things, fidelity to site plan and local context; opportunities for public realm improvements on or adjacent to the site.
9. Additional City Infrastructure	<p>9.1. Metrolinx will incorporate Additional City Infrastructure requested by the City in its Request for Proposals (RFP) for the SmartTrack Stations Program as provisional or optional items for which separate competitive pricing is to be provided and with which the City can determine if it wishes to proceed in accordance with the conditions below:</p> <p>9.1.1. The City will evaluate the price submitted by Project Co for the recommended Additional City Infrastructure to determine if the price is fair and reasonable.</p> <p>9.1.2. The funding for the recommended Additional City Infrastructure is available in the year required within an approved capital budget.</p> <p>9.2. The final contribution provided by the City to Metrolinx for the Additional City Infrastructure will reflect the market price in the winning bid of Project Co.</p> <p>9.3. Further specific agreements with respect to the Additional City Infrastructure between the City and Metrolinx may be required at time of approval.</p> <p><u>Unidentified Works</u></p> <p>9.4. The City may at any time request Metrolinx to build any further Unidentified Works in the course of constructing the SmartTrack Stations Program and to include the construction of such infrastructure at the City's cost.</p> <p>9.4.1. Metrolinx will provide the City with an estimate and, after reviewing the estimate, if the City determines that the cost is satisfactory to the City, it shall notify Metrolinx and Metrolinx shall proceed with the further Unidentified Works.</p> <p>9.4.2. Further specific agreements with respect to the Unidentified Works between the City and Metrolinx will be required at time of approval.</p>
10. Branding & Communications	<p><u>Communications</u></p> <p>10.1. Metrolinx will acknowledge the City's funding contribution to the SmartTrack Stations Program in communications products and activities about the stations.</p> <p>10.2. Either party may include messaging in their own communications products and activities about the stations but the party initiating the communication activities must provide the other party the opportunity to participate.</p>

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	<p>10.3. Media events and announcements related to the stations will not occur without the prior knowledge and agreement of both parties. Media events and announcements include, but are not limited to, news conferences, public announcements, official events or ceremonies, and news releases.</p> <p><u>Temporary Project Signage</u></p> <p>10.4. Metrolinx will install temporary signage to recognize City funding at each SmartTrack station construction site, giving prominence to the City's branding/logo for the project.</p> <p>10.5. Each party may have secondary signage recognizing their contribution to the project.</p> <p><u>Acknowledgement</u></p> <p>10.6. If either party decides to install a permanent plaque or other suitable marker with respect to the permanent station site, it must recognize the City's funding contribution to the stations and be approved by both parties.</p> <p>10.7. At the City's request, Metrolinx will install a permanent plaque or other suitable marker to recognize City funding at SmartTrack station sites.</p> <p><u>Station Design/ Branding</u></p> <p>10.8. Station branding (i.e., the "look and feel") will be determined through mutual agreement between the City, TTC and Metrolinx.</p> <p>10.9. New stations shall be designed to ensure an integrated and seamless customer experience and free movement between any TTC interchange station and the new stations.</p>
11. Governance	<p>11.1. Metrolinx is the owner and operator of the SmartTrack Stations Program and will procure and deliver the Program.</p> <p>11.2. The City is the sponsor of the SmartTrack Stations Program and is providing a capped capital contribution in exchange for the delivery of a specific project scope and service level as identified in this Table.</p> <p>11.3. The parties will work together to develop an implementation agreement that addresses the terms and conditions in this document prior to the issue of the RFP for the SmartTrack Stations Program. The agreement will address the following, but is not limited to:</p> <ul style="list-style-type: none"> 11.3.1. Dispute Resolution 11.3.2. Consultation and Communications Protocol 11.3.3. Project Progress Reporting Requirements

Item	SmartTrack Stations Program Terms and Conditions <i>(Subject to City Council Approval)</i>
	<ul style="list-style-type: none"> 11.3.4. Project Change Control/ Scope Modification. 11.3.5. Construction management 11.3.6. Business and Resident Impact Mitigation 11.3.7. Traffic Management 11.3.8. Permits and Approvals 11.3.9. Real Estate Protocol

Appendix 1 – Infrastructure Categories

Table 2. Recommended for Procurement in SmartTrack Stations Program Contract

Type	Description	Examples
Base Station Infrastructure	The basic station components that are required to implement a functioning station and provide GO service at the SmartTrack Stations.	<ul style="list-style-type: none"> • Platforms and canopies • Primary station building and entrance pavilions • Platform access (tunnels, overhead connections, vertical circulation, etc.) • Related public realm features
City-Initiated Station Requirements	Infrastructure requirements above the Base Station Infrastructure required to better serve the communities surrounding the SmartTrack Stations, and address the conditions of Toronto’s urban context. City-Initiated Station Requirements recognize station access in these communities by TTC services, walking and cycling will require additional connections and entrance points. These requirements are either requested by City Council through the early planning and design phase or recommended by City staff. These additional infrastructure components have been integrated into the design of the SmartTrack Stations.	<ul style="list-style-type: none"> • <u>St. Clair-Old Weston</u> (Bus loop, north tunnel) • <u>East Harbour</u> (Don River multi-use bridge, Corktown entrance, Broadview underpass) • <u>Gerrard-Carlaw</u> (Pape pedestrian-cycling underpass, full-length platform, tertiary building entrances) • <u>Lawrence-Kennedy</u> (access from overpass, north tunnel) • <u>Finch-Kennedy</u> (northern station entrance)
Additional City Infrastructure	City Infrastructure projects outside the scope of the SmartTrack Stations Program that City Council has requested be coordinated with the SmartTrack Stations Program in order to manage interfaces and support coordinated construction of the programs. These projects are being recommended for inclusion in the procurement contract of the SmartTrack Stations Program. Separate pricing for these projects to be provided.	<p><i>Note – only the St. Clair Transportation Master Plan has been identified for inclusion.</i></p> <p>St. Clair Transportation Master Plan</p> <ul style="list-style-type: none"> • Davenport Rd. extension • Gunns Rd. extension • St. Clair bridge span increase • Keele St. extension
Unidentified Works	City infrastructure requirements which may arise from time to time as additional scope the City may wish to request Project Co.to construct as part of the SmartTrack Stations Program.	<ul style="list-style-type: none"> • Examples include: <ul style="list-style-type: none"> ○ Water and wastewater assets ○ Streetscape such as sidewalks, paved surfaces, etc.