



Toronto-Ontario Transit Partnership - Status Update

Date: January 9, 2020

To: Executive Committee

From: Deputy City Manager, Infrastructure and Development Services

Wards: All

SUMMARY

The purpose of this report is to provide an update to Council on the status of discussions with the Province through the 'Ontario-Toronto Executive Steering Committee'. The report includes an update on agreements, including the Memorandum of Understanding for Transit Oriented Development, and information related to measures and enabling authorities the Province plans to introduce in order to provide itself with an enhanced ability to accelerate transit delivery.

With respect to agreements, recent discussions with the Province have resulted in:

- The completion of a '*Memorandum of Understanding on Transit Oriented Development*' (TOD MOU) which establishes a series of shared objectives for TOD and identifies the roles and responsibilities of the City and Province for TOD specific to the four provincial priority projects (Ontario Line, Line 2 East Extension, Yonge North Subway Extension, and Eglinton Crosstown West Extension); and
- The upcoming finalization of the *Preliminary Agreement*, which will reflect and formalize the terms of the agreement approved by Council (EX9.1). This agreement is expected to be completed by the end of Q1 2020.

In parallel to the development of these agreements, City staff have also continued to work with the Province to identify opportunities to accelerate the delivery of their transit expansion projects. In the course of these discussions, the Province has identified the intent to bring forward a series of measures that will enhance the Province's ability to meet committed timelines. City staff understand these measures may require a combination of legislative changes, enabling authorities, and enforcement mechanisms.

To this end, the Province has provided to the City a 'Statement of Intent', which provides a high-level overview of provincial objectives and goals, as well as a formal commitment to consultation and engagement with the City prior to and following the introduction of legislation in Q1 2020.

RECOMMENDATIONS

The Deputy City Manager, Infrastructure and Development Services recommends that:

1. City Council receive this report for information.

FINANCIAL IMPACT

There are no financial implications arising from the recommendations in this report.

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

DECISION HISTORY

At its meeting of October 29, 2019, City Council considered *EX9.1 - Toronto-Ontario Transit Update*, which authorized the City Manager to negotiate, enter into and execute an agreement (the 'Preliminary Agreement') with the Province and/or any other relevant provincial agency, in accordance with the terms set out in the term sheet attached as Attachment 6 to the report, and further authorized the City Manager to negotiate any other agreements as may be necessary. Council further directed the City Manager to work with the Province to identify opportunities to accelerate the delivery of expansion projects and to provide updates on the measures taken.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2019.EX9.1>

COMMENTS

1. Transit Agreements

Throughout 2019 the City and Province undertook a series of discussions to examine the alignment of transit responsibilities between the parties, including an examination of governance, funding, transit service integration, and transit expansion planning and project delivery.

The result of these discussions was a set of principles and parameters to guide the future working relationship of the City and Province in delivering transit expansion (the 'Toronto-Ontario Transit Partnership'). These principles were approved by Council through a report (EX9.1), which summarized the principles in a term sheet and letters from the Minister of Transportation and from the Deputy Minister of Transportation.

Recent engagement with the Province has focused on the negotiation of the Preliminary Agreement and a complementary Memorandum of Understanding on Transit Oriented Development (TOD MOU).

The Preliminary Agreement is currently being finalized, and is expected to be complete by the end of Q1 2020. It will form the basis for further agreements to be negotiated between the parties as the projects advance through their respective lifecycles,

including an update to the 'Agreement-In-Principle' previously signed in 2018 and Master Agreements for each of the priority projects.

Memorandum of Understanding on Transit Oriented Development (TOD MOU)

The City of Toronto and the Province share common goals to build transit and realize integrated Transit Oriented Development. TOD is focused on leveraging opportunities through which the private sector, in cooperation with public sector entities, would intensify development around proposed transit stations, and deliver some critical elements of station infrastructure. The City and Province also want to ensure that these investments advance a shared desire for effective growth and high quality development of Toronto. The TOD MOU, provided as Attachment 1, incorporates these shared objectives and defines the roles and responsibilities for both parties with regard to TOD opportunities for the four priority projects.

The Province will have primary responsibility for the market-solicitation process, including leading negotiations with third parties, balanced with a commitment for ongoing engagement with the City throughout the proposal development, including input related to community benefits and amenities, and other applicable Provincial and City planning policies and guiding frameworks. Both parties have agreed to prioritize the development and review of TOD opportunities, providing required details and reviews in a timely manner, and to seek and receive public input during the process.

The City will work with the Province through the 'Ontario-Toronto Executive Steering Committee' to design and develop the processes necessary to support the delivery of TOD for the four Provincial priority projects, and will continue to discuss roles and responsibilities for TOD pertaining to the GO Expansion and SmartTrack Stations programs.

2. Accelerating Transit Delivery - Provincial Statement of Intent

The City and Province share a joint commitment to exploring opportunities to advance and accelerate, where possible, the delivery of priority transit expansion projects in Toronto. The establishment of the Transit Expansion Office will facilitate a "one-window" approach for these projects. City staff are working closely with Provincial counterparts to identify opportunities to:

- streamline review and approval processes to expedite project implementation;
- ensure efficient sharing of project-related information; and
- establish a governance structure for issue escalation and resolution.

The City and Province remain committed to a cooperative and "collaboration first" approach to the exploration of opportunities to accelerate transit. In these discussions, the Province has identified an intent to bring forward a series of measures that provide enabling authorities to ensure acceleration of the delivery of the Province's four priority projects as required. These enabling authorities are only applicable to the Ontario Line, Line 2 East Extension, Yonge North Subway Extension, and Eglinton Crosstown West Extension.

The Province has indicated that the enabling authorities are intended to be a series of measures that will provide the Province greater certainty with respect to meeting committed timelines.

Based on discussions to date, the City understands that these measures:

- may include a variety of legislative changes, enabling authorities, and enforcement mechanisms;
- will apply exclusively to the Province's four priority projects, and not extend to other transit expansion initiatives or other provincial/municipal projects;
- may touch on a variety of areas such as controls on adjacent development, expropriation procedures, coordination of utility relocation, access to the right-of-way, and revised environmental approvals processes; and
- are intended to provide tools to manage project costs and ensure project timeline certainty.

To this end, the Province has issued a 'Statement of Intent' to the City (Attachment 2), which provides a high-level overview of the Province's objectives and goals, as well as a stated commitment to a mutually-developed and structured engagement process with the City in the lead-up to and following the introduction of the measures in Q1 2020.

To support this engagement, City staff will establish a cross-divisional and TTC working group for the purpose of reviewing the measures proposed by the Province and provide input as to the interests of the City of Toronto. This group will be tasked with supporting the structured engagement process with the Province as referenced in the Statement of Intent, providing formal comment to the Province on any legislative changes that are introduced.

CONTACT

Derrick Toigo, Executive Director, Transit Expansion Office
Email: derrick.toigo@toronto.ca, Tel: 416-338-5222

SIGNATURE

Tracey Cook
Deputy City Manager
Infrastructure and Development Services

ATTACHMENTS

Attachment 1 - Province of Ontario-City of Toronto Memorandum of Understanding (MOU) on Transit-Oriented Development (TOD)
Attachment 2 - Provincial Statement of Intent Related to the Arrangement to Support Accelerating Transit Delivery