

Subway Agreement in Principle and Update on Metrolinx Subway Program – Third Quarter 2024

Date: July 2, 2024

To: Executive Committee

From: Executive Director, Transit Expansion Division and Chief Financial Officer and Treasurer

Wards: All

SUMMARY

The Province of Ontario's Subway Program, being delivered by Metrolinx, is a significant transit expansion project within the City of Toronto. The Subway Program consists of the Ontario Line, Scarborough Subway Extension, Eglinton Crosstown West Extension, and Yonge North Subway Extension projects.

In February 2020, the Province and the City negotiated a Preliminary Agreement (PA) for the Subway Program, amongst other matters. The PA outlined high-level roles and responsibilities of the City and Province in the planning, delivery, and operations of the Subway Program. As the Province continues to advance the Subway Program, through its delivery agent Metrolinx, there is a need to develop and execute a Subway Agreement-in-Principle (AIP) that enhances the principles outlined within the PA to further guide the ongoing design and delivery of the Subway Program.

Negotiations on the Subway Program AIP are ongoing and will conclude imminently. As such, the purpose of this report is to note that City staff will provide a supplementary report with the details on the outcome of negotiations as soon as possible.

The supplementary report to Executive Committee will provide an update on four key items related to the Subway Program, namely:

1. Subway Agreement-in-Principle;
2. Settlement of the transit ledger in accordance with the terms of the Ontario-Toronto New Deal;
3. Scarborough Subway Extension-Eglinton East LRT overbuild protections; and,
4. Update on the status of the Subway Program projects.

RECOMMENDATIONS

The Executive Director, Transit Expansion and the Chief Financial Officer and Treasurer recommend that:

1. City Council receive this report for information.

FINANCIAL IMPACT

As negotiations are ongoing on the Subway Program Agreement-in-Principle, the financial implications are currently being confirmed. Full financial implications will be outlined in the Financial Impact section of the forthcoming supplementary report. As such there are no financial impacts arising from the recommendations contained in this report. The Chief Financial Officer and Treasurer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

In October 2019, City Council adopted, with amendments, EX9.1 Toronto-Ontario Transit Update, authorizing City staff to execute the Preliminary Agreement with the Province of Ontario, which established principles and responsibilities for the implementation of major transit initiatives, including the Subway Program.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2019.EX9.1>

In September 2020, City Council adopted, with amendments, EX16.5 Provincial Priority Transit Expansion Projects - Subway Program Status Update Third Quarter 2020, which provided a status update on the Province's Subway Program in Toronto.

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX16.5>

In November 2020, City Council adopted, with amendments, EX18.3 Update on Metrolinx Transit Expansion Projects – Fourth Quarter 2020 and adopted directives related to several Metrolinx transit expansion projects.

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2020.EX18.3>

On July 6, 2021, City Council adopted EX25.5 Update on Metrolinx Transit Expansion Projects - Second Quarter 2021, which provided a status update on Metrolinx-led transit expansion projects currently underway in Toronto.

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2021.EX25.5>

On May 11, 2022, City Council adopted, MM43.34 Running the Elevated Segment of Eglinton Crosstown West Extension (ECWE) Underground - by Councillor Frances Nunziata, seconded by Councillor Ana Bailão, requesting Metrolinx undertake an assessment of running the elevated segment of the ECWE underground and to identify options that may exist to accommodate this change.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2022.MM43.34>

On June 15, 2022, City Council adopted, with amendments, EX33.1 Metrolinx Transit Expansion Projects - Second Quarter 2022, which provided an update on milestones of the Subway Program and City Council approval for closures of roads, sidewalks and multi-use trails to support construction of the Subway Program.

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.EX33.1>

On June 15, 2022, City Council adopted, with amendments, EX33.2 Advancing City Priority Transit Expansion Projects - Eglinton East Light Rail Transit (EELRT) and Waterfront East Light Rail Transit requesting Metrolinx work with City staff to accommodate and protect for the EELRT distinct-service concept in the design and delivery of the SSE project, specifically at the Kennedy Station and Sheppard-McCowan Station.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2022.EX33.2>

On July 19, 2022, City Council adopted MM47.77 Next steps in building the Sheppard West Subway Extension - by Councillor James Pasternak, seconded by Councillor Cynthia Lai, which requested the Executive Director, Transit Expansion and the Chief Planner and Executive Director, City Planning to request the Province of Ontario and Metrolinx to provide the approach and timing to advance the planning for the Line 4 extension from the Sheppard/Yonge Station to Sheppard West Station and to report back by the second quarter of 2023.

Link: <http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2022.MM47.77>

On May 10, 2023, City Council adopted TE4.70 Update on Metrolinx's Ontario Line Construction within the Toronto and East York District, which provided details on the current status of the Ontario Line project within the boundaries of Toronto and East York Community Council (TEYCC), including timelines, construction mitigation plans, and community engagement milestones.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2023.TE4.70>

On June 14, 2023, City Council adopted TE5.46 Report Back on Metrolinx's Ontario Line Construction within the Toronto and East York District, which provided additional details on the Ontario Line construction requested by City Council.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2023.TE5.46>

On June 14, 2023, City Council adopted EX5.3 Update on Metrolinx Subway Program - Second Quarter 2023, which provided a status update on Metrolinx-led transit expansion projects currently underway in Toronto.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2023.EX5.3>

On July 19, 2023, City Council adopted TM2.1 City of Toronto Recommendations for Metrolinx's Ontario Line Construction within the Toronto and East York District to fulfill the mandate of the Subcommittee on Metrolinx's Ontario Line Construction by consolidating City staff recommendations, public feedback and City Council directives to create recommendations on reducing the construction impacts, providing opportunities for residents and businesses and supporting the communities most impacted by the Ontario Line construction.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2023.TM2.1>

On October 11, 2023, City Council adopted TE7.81 Protecting and Upgrading Jimmie Simpson Playground due to Ontario Line Construction including a report from staff to provide an update on City Council's request for Metrolinx to replace the wading pool and playground in Jimmie Simpson Park and to provide details on the status of the license agreement for Metrolinx to access Jimmie Simpson Park to complete works related to the Ontario Line.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2023.TE7.81>

On December 13, 2023, City Council adopted MM13.3 Metrolinx Eglinton Crosstown West Extension - Elevated Guideway - by Councillor Frances Nunziata, seconded by Councillor Mike Colle requesting staff to investigate opportunities to reduce the setbacks between Eglinton Avenue West and the ECWE Elevated Guideway to potentially lessen the impact to Fergy Brown Park and Pearen Park and the existing road allowance along Eglinton Avenue West.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2023.MM13.3>

On December 13, 2023, City Council adopted, with amendments, EX10.17 Advancing Eglinton East Light Rail Transit, which gave approval for the EELRT alignment. City staff also were directed to advance the required next steps to progress the project and given authority to modify a portion of the EELRT alignment should there be an overlap with a confirmed Provincially-led extension of rapid transit along Sheppard Avenue, east of the existing TTC Line 4.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2023.EX10.17>

On December 13, 2023, City Council adopted, with amendments, CC13.2 Ontario-Toronto New Deal Agreement, which included the terms of the Ontario-Toronto New Deal in principle. The "New Deal" included several transit commitments, including agreement from the City to finalize negotiations and seek Council approval on the Subway Program Agreement-in-Principle before June 2024, and agreement that the ledger on historical transit funding reconciliation exercise is settled and cleared.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2023.CC13.2>

On December 13, 2023, City Council adopted, with amendments, EX10.16 Cummer Station - Response to Council Motions, which responds to a number of motions from City Council regarding a potential future subway station at Yonge Street and Cummer/Drewry Avenues and provides a Business Case for Cummer Station from the City's perspective.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2023.EX10.16>

On January 24, 2024, City Council adopted TE10.40 Metrolinx's Ontario Line Construction within the Toronto and East York District - First Quarter Update, which provided an update on the current status of the Ontario Line construction within the boundaries of TEYCC and provided an update on the recommendations shared with Metrolinx as directed through TM2.1.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2024.TE10.40>

On February 14, City Council adopted, with amendments, CC15.1 Budget Implementation Including Property Tax Rates, User Fees and Related Matters. This

included a request to Federal and Provincial governments to provide funding for the delivery of Cummer Station.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2024.CC15.1>

On February 27, 2024, Infrastructure and Environment Committee adopted IE11.4 Metrolinx Eglinton Crosstown West Extension Elevated Guideway - Response to the Member Motion MM13.3 providing an overview of the ECWE Elevated Guideway alignment, its setback from Eglinton Avenue West and examined potential opportunities to minimize setback requirements.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2024.IE11.4>

On March 20, 2024, MM16.31 Request for Updates on Northern Segment of the Ontario Line - by Councillor Jaye Robinson, seconded by Councillor Jon Burnside was adopted by City Council requesting City staff to report to North York Community Council with regular updates on the status and progress of the Province's Transit-Oriented Communities proposals as well as updated to the design and construction of the North segment of the Ontario Line that is within the boundaries of North York.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2024.MM16.31>

On April 17, 2024, City Council adopted EY12.1 City-initiated Zoning By-law Amendments to Implement Eglinton Crosstown West Extension - Decision Report – Approval City-initiated Zoning By-law amendments to facilitate the delivery of the ECWE project. The purpose of the amendments are to provide relief from certain zoning provisions related to transportation uses for lands to be acquired by Metrolinx to accommodate ECWE project elements such as emergency exit buildings, traction power substations, transit station entrance buildings and temporary facilities required for construction.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2024.EY12.1>

On May 22, 2024, City Council adopted EX14.2 Ontario Line Pape Segment Advanced Works - Temporary Road Closures and Transportation Impacts, which provided an overview of Metrolinx's plans for Advanced Works near the Ontario Line Gerrard Portal site, Pape Station site and Sammon Crossover Emergency Exit Building site. It also discusses various construction activities and the number and duration of temporary lane closures required to complete the Advanced Works.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2024.EX14.2>

On June 27, 2024, City Council adopted EX15.2 - Priorities in Transit Expansion and Transit-Oriented Communities Projects, which seeks to strengthen internal coordination amongst City Divisions in order to maximize achievement of the City priorities outlined in the report, in interactions with the Provincial government and its agencies in the delivery of all current and future transit expansion and transit-oriented community projects.

Link: <https://secure.toronto.ca/council/agenda-item.do?item=2024.EX15.2>

COMMENTS

Subway Program Agreement-in-Principle (AIP)

On November 27, 2023, the Government of Ontario and the City of Toronto announced a “New Deal”, a historic arrangement to help achieve long-term financial stability and sustainability for the City¹. The terms of the New Deal include a package of provincial supports to assist the City with its long-term financial plan, in exchange for various commitments from the City². One of the commitments included advancing the delivery of the Province’s Priority Transit Projects (i.e., the Subway Program), which consist of the Ontario Line (OL), Yonge North Subway Extension (YNSE), Scarborough Subway Extension (SSE), and Eglinton Crosstown West Extension (ECWE), and supporting key transportation objectives. On December 13, 2023, City Council adopted item CC13.2 Ontario-Toronto New Deal Agreement (New Deal) approving in principle the terms of the New Deal.

One of the key terms of the New Deal is to finalize negotiations, including a revised model for funding operations and maintenance, on the Subway Program Agreement-in-Principle (AIP) within defined timelines and seek City Council approval before June 2024 (extended by mutual agreement between the Province and the City to July 2024 in order to accommodate negotiations for the AIP).

City staff, in consultation with TTC staff, have been working with staff at the Ministry of Transportation (MTO) to advance a Subway Program AIP. The AIP is intended to build upon and enhance the principles of the Ontario-Toronto Transit Partnership Preliminary Agreement (PA)³ which was signed in 2020. The PA outlined high-level roles and responsibilities of the City and the Province for the planning, delivery, operations, and ownership of the Subway Program.

The supplementary report to Executive Committee will provide an update on four key items related to the Subway Program, namely:

1. Subway Agreement-in-Principle;
2. Settlement of the transit ledger in accordance with the terms of the Ontario-Toronto New Deal;
3. Scarborough Subway Extension-Eglinton East LRT overbuild protections; and,
4. Update on the status of the Subway Program projects.

¹ <https://news.ontario.ca/en/release/1003888/ontario-and-toronto-reach-a-new-deal>

² <https://www.ontario.ca/page/terms-new-deal-between-ontario-and-toronto>

³ <https://www.toronto.ca/wp-content/uploads/2020/02/94f1-02-12-2020-Final-Prelim-Agreement-Ontario-Toronto-Transit-Partnership-AODA.pdf>

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