

Assessment of Scarborough Rapid Transit Adaptive Reuse and Next Steps

Date: November 26, 2024

To: Executive Committee

From: City Manager

Wards: All

SUMMARY

This report responds to City Council's request from March 2024 to assess scope, feasibility, costs, risks, and key considerations regarding the adaptive reuse of the right-of-way, infrastructure, and station assets which comprise the Toronto Transit Commission (TTC) decommissioned Scarborough Rapid Transit Line 3 (SRT). This request was made through Member Motions [MM16.7](#) and [MM16.29](#).

In July 2023, the SRT ceased operation and rapid bus replacement service was implemented. The Scarborough Subway Extension is planned for completion in 2030, extending the Bloor-Danforth Line 2 east and north into Scarborough. The TTC is currently converting the at-grade portion of the SRT line between Kennedy and Ellesmere stations, to a Bus Rapid Transit (BRT) line, which is planned to be operational by 2027.

Based on TTC's completed review and analysis, the 2.5-kilometre SRT guideway located between Ellesmere Station and one hundred metres east of McCowan Station at Grangeway Avenue, is no longer required for transit uses. Most of this portion of the SRT is elevated infrastructure except for an area located north of Ellesmere Station which includes a small portion at-grade and below-grade as it changes to an east-west orientation. As per Municipal Code Chapter 279, the TTC holds real estate and infrastructure assets for the purpose of a transportation system and therefore assets no longer required for transit operations are declared surplus.

Following direction from City Council regarding the preliminary feasibility assessment of adaptive re-use of the SRT infrastructure, staff across relevant City divisions and agencies completed the following:

- a full review by the TTC of current and future operational requirements;
- an initial ownership analysis and legal review of easements and agreements with third-party landowners;
- an assessment of current developments, secondary plans, parks and other local requirements, and future development opportunities; and,
- a high-level estimate of the cost of required due diligence and technical studies.

Initial assessments indicate that adaptive reuse of the elevated guideway infrastructure presents legal risk that needs to be addressed, short-term and long-term capital expenditures, and implementation complexity overall. Specifically:

- the City does not have complete property ownership of the SRT corridor;
- the City has legal obligations to third-party landowners on portions of the SRT corridor including permission for restricted use to only transit operations; requirements to maintain infrastructure in good repair; and requirements to restore lands within one or two years once the transit system ceases operations, which was in July 2023;
- unfunded capital costs to undertake due diligence, retain third-party lands, redevelopment planning, and asset lifecycle requirements of aging infrastructure;
- the capital coordination of large projects in Scarborough Centre (i.e., Scarborough Subway Extension, Transit Oriented Developments, housing developments); and,
- overall redevelopment limitations of the narrow corridor.

Given these constraints, City staff recommend the SRT transit infrastructure be considered for substantive removal and derisked (i.e., addressing financial, legal, and asset lifecycle issues). The City can then review the true scope of the SRT corridor with appropriate visioning or 'future use' studies, and with dedicated capital budget. There may be city building opportunities by maintaining portions of the SRT corridor and exploring new connected land uses based on local Scarborough needs, and partnerships with active adjacent developments. These potential city building opportunities require deeper study such as transportation connections (i.e., active mobility, trails), parks, privately-owned publicly accessible spaces, and commemoration of the SRT.

To move forward, the City should prioritize the following actions:

- undertake a detailed legal review and title search of the SRT corridor to confirm ownership, and initiate discussions on current legal agreements;
- undertake required technical studies, including analyzing scope, options, and cost estimates for the removal of SRT infrastructure to help determine next steps;
- confirm accountability for the structure's maintenance, safety, and security during and after technical analysis and any future phases; and,
- plan a 'future use' study of the SRT corridor and a strategy for public consultation.

It is recommended the adaptive re-use of the SRT be pursued in a 'stage gate' process. This would enable City Council to fully understand scope, cost, risks, and timing of each step forward considering the City's financial constraints. Stage gates are as follows:

- approval to proceed with required legal and technical work to advance infrastructure removal;
- report back in Q4 2025 with final scope, recommended approach for infrastructure removal, identify portions that could remain, any new land rights required, estimated capital cost for next steps, plus a plan for a 'future use' analysis and strategy for public consultations; and,
- report back in 2026, with results of a public consultation and options for future uses of the SRT corridor.

RECOMMENDATIONS

The City Manager recommends that:

1. City Council request the Board of Directors of the Toronto Transit Commission (TTC) to direct the Interim Chief Executive Officer of the TTC to report to the Board in Q1 2025 on the completed analysis of Scarborough Rapid Transit Line 3 (SRT) infrastructure and land requirements, and the assets no longer required for transit operation purposes.
2. City Council endorse in principle to substantively remove the Scarborough Rapid Transit Line 3 infrastructure no longer required for transit operations so the corridor lands may be considered for future uses.
3. City Council direct the City Manager, in conjunction with appropriate City divisions and agencies, to report back to City Council in Q4 2025 on next steps for the Scarborough Rapid Transit Line 3 infrastructure, after the completion of necessary technical studies and detailed legal analysis, including final scope, recommended approach for infrastructure removal which prioritizes lands of third-party owners, identifying any portion of the elevated infrastructure that could remain for future uses, and estimated capital costs.
4. City Council direct the City Manager, in conjunction with appropriate City divisions and agencies, to report back in Q4 2025 with a plan for a 'future use' analysis of the surplus Scarborough Rapid Transit Line 3 corridor land, including a strategy to undertake public consultations in 2026, with consideration for local Scarborough needs and integrating opportunities for transit, active mobility, trails, parks, privately owned publicly-accessible spaces, cultural installations, and commemoration of the decommissioned SRT into a connected corridor.
5. City Council direct the City Manager to engage the Federal and Provincial Governments and related agencies such as Infrastructure Ontario, Metrolinx, and the Canadian Infrastructure Bank, as well as the University of Toronto Scarborough on partnerships and funding opportunities for required studies, planning, and execution of infrastructure removal and future uses of the corridor.

FINANCIAL IMPACT

Staff analysis indicates the adaptive reuse of the SRT is a complex, long-term undertaking that will require significant capital investment. A 2018 estimate indicated the decommissioning and demolition of the SRT was in the range of \$150 million to \$175 million. This cost is outdated, is not included in the current City's 10-Year Capital Budget and Plan, and it does not include the cost of future work, such as visioning exercises, redevelopment planning, new land agreements, and implementation costs for a reimagined SRT corridor.

This report recommends a 'stage gate' approach to the SRT adaptive reuse project, where the first stage would involve addressing the City's legal obligations and engaging

third-party landowners, conducting technical due diligence, and estimating capital costs for infrastructure alteration or removal. In addition, capital budget for any short-term maintenance requirements needs to be determined to ensure the safety and integrity of the SRT assets in the interim. The funding required for this initial phase of work in 2025 is estimated to be \$1.5 million and, if determined necessary, will be included for consideration in the 2025 Budget Process.

Subsequently, staff will report back in Q4 2025 with full scope, cost, risks, development options and dependencies, and timing for a reimagined SRT corridor for City Council's consideration. This staged approach will enable City Council to stay fully informed at each decision stage gate. Funding for future capital costs will be considered through the City's annual budget process along with all financial constraints and capital priorities.

The Chief Financial Officer and Treasurer has reviewed this report and agrees with the information presented in the Financial Impact Section.

DECISION HISTORY

On March 20, 2024, Council adopted motion MM16.7 – Exploring Innovative Adaptive Reuse of the Scarborough Rapid Transit Elevated Guideway and Assets. The motion requested City staff to explore the feasibility of a new linear park and active transit corridor along the decommissioned SRT line. <https://secure.toronto.ca/council/agenda-item.do?item=2024.MM16.7>

On March 20, 2024, Council also adopted motion MM16.29 – Analysis of Cost: Removal of Elevated Portions of the Scarborough Rapid Transit Structure, and Detailed Feasibility Study for Reuse. The motion requested staff to provide an analysis of costs and financial implications of the adaptive reuse feasibility study of the SRT. <https://secure.toronto.ca/council/agenda-item.do?item=2024.MM16.29>

On January 25, 2024, the TTC Board approved recommendations in the report, "Scarborough Rapid Transit (SRT) Line 3 Bus Replacement and Busway Status Update". This report provided an update on potential future Scarborough Rapid Transit corridor use and an analysis of adaptive reuse considerations. https://cdn.ttc.ca/-/media/Project/TTC/DevProto/Documents/Home/Public-Meetings/Board/2024/January-25/4_SRT_Line_3_Bus_Replacement_and_Busway_Status_Update.pdf?rev=b66682f2ab294b7c94adfa6c147e6d40&hash=5D75EE70250BC933A0E5446DAB9F52A2

On February 2, 2022, Council adopted Motion MM39.24 – Potential Adaptive Reuse – Scarborough Rapid Transit Elevated Track, from Councillor Paul Ainslie. The motion requested City staff to explore the potential for the adaptive reuse of the Scarborough Rapid Transit line elevated track as a new linear park and active transit corridor. The Motion requested a report back to a future meeting of City Council on the feasibility, including potential funding options. <https://secure.toronto.ca/council/agenda-item.do?item=2022.MM39.24>

COMMENTS

The Scarborough Rapid Transit Line 3 (SRT) opened in 1985 as a six-station, 6.5-kilometre-long rapid transit shuttle using linear-induction propulsion technology on a fully grade-separated right-of-way. The SRT trains operated 10-years past their design life, became susceptible to cold weather, and had been overhauled twice to ensure safe reliable service. The TTC officially decommissioned the SRT in the Summer of 2023.

The SRT asset, defined as the infrastructure, structures, facilities, and property that comprise the SRT, runs between Kennedy Subway Station to the west and terminates at 100 metres east of McCowan Station in the east, with a tail track leading to the TTC's McCowan Yard, located east of Grangeway Avenue and north of Ellesmere Road. The SRT includes infrastructure located at-grade (approximately four kilometres), below-grade (approximately 150 metres), and above-grade via an elevated guideway (approximately 2.5 kilometres), as well as station buildings, commuter lots, and supporting utility and servicing infrastructure. See Attachment 1 for a map of the SRT corridor.

There has been interest in leveraging the elevated guideway and adapting the corridor and infrastructure into a city building opportunity in Scarborough with a park and trail for active mobility. As well, development in Scarborough Centre and parcels adjacent to the SRT structure has intensified. Development applications by third-party landowners are being initiated with an expectation the existing infrastructure will be removed.

Council has directed staff to examine the feasibility of adaptive reuse and potential costs considering the City's overall financial constraints. Staff across relevant divisions and agencies have assessed the opportunities for the adaptive re-use of the SRT infrastructure. Staff advise that the SRT infrastructure be substantively removed, derisked (i.e., addressing financial, legal, and asset lifecycle issues), and then the corridor reimaged with appropriate visioning exercise and redevelopment planning.

This is a highly complex and resource intensive undertaking with challenging components that need to be reviewed in detail. The necessary work includes:

- TTC analysis of requirements from the SRT infrastructure and lands moving forward;
- understanding complete ownership and title rights of the rights-of-way;
- a technical review of structural integrity and state of good repair of the current infrastructure; and options with cost estimates for removal;
- assigning interim responsibility for the structure's maintenance and security;
- identifying local planning needs and opportunities (i.e., parks and mobility options);
- understanding development potential within lands containing stratified easements and on adjacent properties;
- determining opportunities for economic development, arts, and cultural activations; and,
- estimating project timing and capital costs.

There must also be consideration for capital coordination, sequencing, and potential intergovernmental partnerships due to the number of developments taking place in Scarborough Centre. For example, the SRT corridor passes through a future station location of the new Scarborough Subway Extension and the associated Transit Oriented Community being advanced by the Province. Similarly, other third-party developments

are on lands bisected by the existing SRT corridor, as well as the City's own affordable housing projects on adjacent lands. A potential SRT adaptation or redevelopment would be a long-term project for the City, however key stakeholders will be seeking City direction on the SRT in the short-term as there are legal obligations and future development to be addressed with third-party landowners.

An order of magnitude cost estimate was completed in 2018 with a range of \$150 million to \$175 million to demolish the entirety of the SRT infrastructure. Should a decision be made to proceed with substantive demolition, a revised cost estimate would be needed based on 2025 cost factors and a specific scope of work.

Toronto Transit Commission (TTC) Requirements

The TTC has completed its analysis and is tracking for an upcoming report to its Board outlining its immediate and future operational requirements related to the SRT infrastructure (i.e., the lands and infrastructure to be retained). This will include recommendations that assets and lands no longer required, which includes the majority of the asset between Ellesmere and McCowan stations, are considered surplus to the TTC's operational needs. As per Chapter 279 of the Toronto Municipal Code, the TTC holds real estate for the purpose of operating a transportation system. If lands and assets are no longer required, they can be considered for the surplus process, where future uses can be assessed and transferred appropriately.

To arrive at this recommendation, TTC staff undertook analysis that divided the SRT assets into three distinct segments to determine potential future transit use and what is no longer required for operations:

Segment 1 – Kennedy Station to Ellesmere Road

The TTC is currently advancing the design to convert the portion of the SRT between Kennedy and Ellesmere stations into an exclusive busway through the four kilometre at-grade portion of the asset. Design is 90% complete, with early demolition works (SRT track and wayside equipment removals) underway with planned project completion by 2027. The TTC will maintain operational management of Segment 1 for the duration of the operation of the busway.

Segment 2 – Ellesmere Station to 100 metres east of McCowan Station

Through the internal review, the TTC identified that only two (2) City-owned parcels in this segment will have continued transit operations. All other portions of the SRT asset between Ellesmere Station and McCowan Station have no identified TTC use.

The following outlines a high-level summary of the portions required for continued transit operations, and will therefore remain within TTC's operational management:

- Ellesmere Station lands, including the Ellesmere Substation, commuter lot and below-grade pedestrian walkway.
- Scarborough Centre Station, including the Scarborough Centre Substation, for continued bus operations.

- Two trailers at Midland Station to which TTC and CreateTO are working to find an alternative location.

Existing servicing and utility infrastructure, such as fibre optic cables and electrical infrastructure, are affixed to the SRT structure along the entire alignment. Future adaptive reuse or demolition of the SRT structure will require coordination with the TTC to properly relocate this servicing infrastructure.

Segment 3 – East of Grangeway Avenue (McCowan Yard Property)

Segment 3 will remain within TTC's operational management. Plans for future TTC use of McCowan Yard are still being determined by the TTC and will be brought forward to their Board at a future date.

SRT Infrastructure Asset Management

The remaining SRT land and assets no longer required for TTC operations is the 2.5-kilometre guideway portion located between Ellesmere Station and one hundred metres east of McCowan Station at Grangeway Avenue. Much of this portion operated via an elevated guideway except for an area located north of Ellesmere Station which includes a small portion at-grade and below-grade as it changes to an east-west orientation.

In accordance with Chapter 279, Toronto Municipal Code, as an agent of the City, TTC holds property solely for the purpose of a transportation system. As a result of the decommissioning of SRT operations and with portions of the asset no longer required for transit, the TTC would eventually transfer the properties to the City, pending Council direction on the SRT. The properties would be released to the City in accordance with TTC Procedural By-Law No. 2 and TTC Policy 8.2.0 – Disposal of Surplus Property, Acquisition of Real Property, Office and Short-Term Lease, and the City surplus property process.

Maintenance of the SRT asset between Ellesmere and McCowan Stations includes electrical and fibre optic infrastructure, essential for those portions of the SRT that remain in operation (i.e., Scarborough Centre Station). These activities are funded through TTC's existing operating budget. Any other maintenance of the SRT occurs on an as-needed basis and would only take place to ensure the safety of the structure.

This report recommends that City staff to develop a plan with the TTC for short-term and long-term asset management accountability and responsibility, and corresponding budget needs be identified to maintain at minimum the safety and integrity of the SRT assets.

Third-Party Easements

A detailed legal analysis of the title information for the SRT is required to determine the feasibility of any adaptive re-use. Preliminary reviews indicate that the City does not have property rights that explicitly allow for adaptive re-use of all SRT lands.

A majority of the SRT infrastructure is on City lands. Between Ellesmere Station and one hundred metres east of McCowan Station, a total of ten parcels are owned by third-

parties and subject to agreements pertaining to the SRT structure for transit operations. Within this SRT section, two City-owned parcels at Ellesmere and Scarborough Centre Stations are required for continued transit operations, as detailed above. The remaining City-owned parcels within this section have no further transit use.

The ten parcels owned by third-parties have easement agreements, executed between the City of Toronto and third-parties. The rights granted to the City/TTC under the easements are specific to the operation of transit facilities/systems for an “Intermediate Capacity Transit System”. The terms of the agreements require the City/TTC to maintain the infrastructure in good repair and restore the lands following cessation of this use. Easements vary in terms of obligations; however, some agreements require the removal of the SRT infrastructure within specified time periods (i.e., 1 or 2 years) once the transit system ceases operations, which was in July 2023. The City's legal obligations need to be confirmed.

It is expected that third-party landowners will seek removal of the SRT infrastructure from some of the easement lands. For example, third-party landowners have initiated redevelopment plans that presume the SRT infrastructure will be removed to maximize development potential (e.g., 100 Brough Drive). If Council provided direction to maintain the elevated guideway infrastructure, new agreements or expropriations could be required with the third-party property owners. This could come at a significant cost to the City.

Based on the existing easements, the elevated SRT infrastructure cannot remain in its entirety without new agreements with third-party landowners. It is recommended the City remove the SRT infrastructure and engage with third-party landowners on their redevelopment proposals to maximize opportunities to maintain a connected corridor with active mobility, trails, parks, and privately-owned publicly accessible spaces.

As a next step, City staff need to complete a detailed site-by-site review of registered title to confirm ownership and fully understand the complex ownership and legal rights across all the lands upon which the elevated guideway is situated and adjacent.

SRT Corridor Adaptive Reuse Assessment

Ideas from Council for how the corridor and infrastructure might be adapted range from a linear park, an active transportation corridor, some form of replacement mass transit system, incorporation into adjacent developments, or commemoration of some elements of the infrastructure while others are demolished. Collaborative engagement between City Planning, Parks, Forestry, and Recreation, Transportation Services, and CreateTO has begun to review the potential adaptive reuse of the SRT.

Based on initial assessments, the elevated guideway infrastructure is challenging to fully adapt. Adapting portions of the infrastructure would require detailed engineering studies and capital alterations to the infrastructure, capital investment to apply new uses to the infrastructure (i.e. park, trails), and long-term capital funding for life-cycle asset management.

There could be a long-term city building opportunity to explore connected land uses based on local Scarborough needs and active adjacent developments (i.e., active mobility, trails, parks, privately-owned publicly accessible spaces, etc). This could include maintaining portions of the elevated structure if feasible, to incorporate into future uses.

Development Opportunities

CreateTO and City Planning completed a high level, preliminary assessment of development opportunities on City owned land along the SRT corridor, taking into consideration the operational needs of the TTC. Overall, there are no clear and identifiable opportunities to unlock properties for development such as housing. Major development along the SRT is limited due to:

- the narrowness of the SRT corridor (i.e., ~35m in width);
- the adjacent GO/Metrolinx rail line that will remain in service between Kennedy station and Ellesmere station, and rail safety separation requirements would consume much of the corridor lands; and,
- Official Plan designations along the corridor are primarily *Utility Corridor*, *Employment Lands and Neighbourhoods*. Policies related to land use compatibility, including separation and transition requirements, cannot be met on such a narrow land base.

The City does have a suite of transit-oriented projects within its housing pipeline either adjacent to or in proximity to the SRT corridor. Specifically, the SRT touches 40 Bushby Drive, a Housing Now project which could incorporate greenspace or activations to commemorate the SRT. Other future housing sites along the SRT include 101 Grangeway, 705 Progress Avenue, 158 Borough Drive, and 2444 Eglinton Avenue East.

Discussions have also taken place between Metrolinx, Infrastructure Ontario, TTC and City Planning to maximize the transit-oriented development potential around the future Scarborough Centre subway station and bus terminal parcel.

Scarborough Centre Secondary Plan

The City is currently undertaking an update to the Scarborough Centre Secondary Plan as part of the [Scarborough Centre Review – Our Scarborough Centre](#) project. The secondary plan update is nearly complete and contemplates further development occurring around the existing Scarborough Centre Station and bus terminal and it is expected that the updated policy framework will include further permissions for new development and additional density in this area.

Community Consultation on draft policies and guidelines is targeted for Q1 2025, with the final report to City Council later in Q2 2025. Overall, the draft policy framework and existing development applications highlight the need to remove the SRT asset.

Active Transportation Trails, Parks, & Greenspace

The elevated SRT infrastructure poses significant technical complexity in adapting it to new uses. Removal of the infrastructure could unlock better opportunities for a connected corridor where the City could explore active transportation, trails, parks, and other activations. However, more detailed visioning exercises and redevelopment planning would be required, including understanding planned third-party developments for integration opportunities and new agreements, managing space and grade constraints in several locations, creating access points, and safety considerations.

While opportunity for a linear park was initially identified for segments of the remaining guideway, initial investigations into the ownership of each parcel could present limitations to this concept in certain locations. Ongoing work as part of the Our Scarborough Centre Secondary Plan study envisions parks and privately owned publicly accessible spaces (POPs) adjacent to the SRT that could leverage site-specific opportunities to create a sequence of open spaces that celebrate the legacy of the SRT and connect to existing or planned parkland in the immediate area.

PFR is involved in two studies along the SRT extension (i.e., assessment of parkland supply, walkability gaps, and park land priority areas), coinciding with identified parkland priority areas in Scarborough:

- Scarborough Centre Secondary Plan Review; and,
- Kennedy Park – Ionview Parkland Study.

Parkland priorities for these study areas include achieving on-site at grade parkland to support anticipated future growth and expanding and improving existing parks. The SRT corridor runs through portions of both current study areas, directly connecting with several existing and planned parks and providing potential opportunities to improve, expand and better connect the parkland network.

Should use, condition, ownership, timing, and funding allow, PFR would be interested in exploring how portions of the SRT right-of-way could enhance the identified priorities and objectives for parkland in and between these areas and contribute to improve the parkland network in Scarborough. Current PFR Capital Budget Plan (2024-2033) does not contemplate any parkland investments within or along the existing SRT corridor. Any necessary budget to develop parkland along the SRT corridor, following staff analysis, would be brought forward by City staff.

Conclusion

In conclusion, it is advised that the SRT infrastructure be removed and derisked (i.e., addressing financial, legal, and asset lifecycle issues), and then the corridor reimaged with appropriate budget, visioning exercise, and redevelopment planning.

The TTC completed its analysis and can confirm that the majority of the SRT elevated guideway is no longer required for transit operations and are prepared to declare assets/lands as surplus to TTC's operational needs, subject to TTC Board approval. There are also clear legal obligations the City has to third-party landowners which need to be fully understood and managed, though ultimately the SRT infrastructure will need to be removed from those portions of the corridor within agreed timelines.

The City does own a majority of the SRT corridor lands, and initial visioning and redevelopment planning can take place once technical due diligence has concluded. Staff recommend a report back to City Council in Q4 2025 on a plan forward including scope, approach, and cost for infrastructure removal, and a future stage in 2026 with public consultations and redevelopment options for consideration.

An-end-to-end project considering a Council approved plan, infrastructure removal/demolition, and the redevelopment of the corridor will be highly complex, resource intensive, costly, and ultimately a long-term undertaking for the City. It is recommended this be pursued as a 'stage gate' process. This would enable City Council to fully understand scope, cost, and timing of each step forward considering the City's financial constraints.

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SIGNATURE

Paul Johnson
City Manager

ATTACHMENTS

Attachment #1: Map of the Scarborough Rapid Transit Line 3

ATTACHMENT #1: MAP OF THE SCARBOROUGH RAPID TRANSIT LINE 3

Segment 1 – Kennedy Station to Ellesmere Road

Segment 2 – Ellesmere Station to 100m east of McCowan Station (Grangeway Avenue)

Segment 3 – East of Grangeway Avenue (McCowan Yard Property)

The portion of the Toronto Transit Commission (TTC) decommissioned Scarborough Rapid Transit Line 3 (SRT) being considered for adaptive re-use is Segment 2.

