



March 18, 2024

ATTN : Councillor Jamaal Myers and Councillor Paul Ainslie

**Toronto City Hall
100 Queen Street West, Suite A8
Toronto, ON M5H 2N2**

RE: Letter of Support - Exploring Innovative Adaptive Reuse of the Scarborough Rapid Transit Elevated Guideway and Assets

Dear Councillor Myers and Councillor Ainslie,

The Canada Infrastructure Bank (the “**CIB**”) provides this letter to the City of Toronto (“**Toronto**”) as an expression of interest in working with Toronto to explore the feasibility and potential financing solutions for an infrastructure project (the “**Project**”) that will replace the Toronto Transit Commission’s Line 3 Scarborough Rapid Transit System (the “**Scarborough RT**”).

The CIB is an impact investor deploying \$35 billion alongside private capital to develop the next generation of infrastructure that Canadians need. The CIB works closely with the Government of Canada, provincial, territorial and municipal governments and Indigenous communities to implement their infrastructure priorities in cooperation with the private sector. The CIB focuses on priority sectors for investment including public transit, green infrastructure, clean power, trade and transport and broadband.

Our understanding is that Toronto is considering feasibility studies (the “**Studies**”) related to the replacement of the Scarborough RT, which are expected to evaluate: (i) Opportunities for the development of a new linear park and active transportation corridor leveraging the existing Scarborough Rapid Transit infrastructure informed by similar projects, (ii) High-capacity mobility solutions along the corridor to meet ongoing resident and business needs, and, (iii) commercial and housing development potential along, adjacent, and integrated into the existing Scarborough Rapid Transit corridor, including opportunities to support city-building objectives facilitated by the provision of people and goods movement solutions along the existing corridor.

The Studies will include serious consideration of solutions and procurement options that facilitate long-term private capital investment.

Under the CIB’s Project Acceleration initiative, the CIB can make early-stage contributions to expedite due diligence and early works with the goal of shortening the critical paths of high impact projects that have *bona fide* potential for future CIB investment. Based on our preliminary review, the Project could fit within the CIB’s mandate of investing in sustainable transit alongside private capital. On that basis, the CIB is interested in potentially partnering with Toronto on the Studies pursuant to the Project Acceleration initiative, including as a potential funding partner whereby the CIB could fund a portion of the cost of the Studies on mutually agreeable terms and conditions.



While the CIB is currently supportive of continuing to engage with Toronto on the Project, this letter does not constitute a binding commitment of the CIB to provide or deliver financing for the Studies or the Project. Any commitment from the CIB will be explicitly subject to satisfactory due diligence, obtaining all necessary approvals and to the CIB and Toronto negotiating satisfactory legal documentation.

Should you have any questions or require further information, please contact my office at (416) 727-3603 or jcasola@cib-bic.ca.

Best regards,

A handwritten signature in black ink, appearing to read 'John Casola', written in a cursive style.

John Casola
Chief Investment Officer
Canada Infrastructure Bank