



METROLINX

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Office of the Chair

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Karen Stintz
Chair
Toronto Transit Commission
Toronto City Hall
100 Queen Street West
Toronto, Ontario
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Karen
Dear Chair Stintz,

RE: Response to your letter dated September 6, 2013

Thank you for your letter of September 6, 2013 with respect to the announcement made by the Ontario Minister of Transportation, the Honourable Glen Murray, on September 4, 2013 related to the proposed extension of the Bloor-Danforth subway to Scarborough Town Centre using the SRT alignment. Today, the Metrolinx Board of Directors met and discussed the project and I can provide you with the following information in response to your questions.

Metrolinx has consistently supported using the SRT corridor to bring rapid transit to Scarborough Town Centre and linking it to Kennedy Station. The Big Move, the Transit City plan, the 2009 funding announcement and the master agreement between Metrolinx and the City/TTC all reflect this commitment to using the SRT corridor. Similarly, the Minister's announcement of September 4, 2013 continues this commitment. The alignment has previously been approved under the Environmental Assessment Act for the LRT project.

Following City Council's July 17, 2013 decision expressing the City's preference for a subway for Scarborough instead of the LRT contemplated by the master agreement, Minister Murray asked Metrolinx to study whether the proposed subway could follow the existing SRT alignment. We undertook a preliminary feasibility study. It suggests the route using the SRT alignment announced by Minister Murray has a number of advantages: it has greater opportunities for economic growth and employment along its length, relative to the route earlier proposed by the City and TTC; it takes advantage of an existing transportation corridor instead of incurring the cost of building a new one; our preliminary analysis suggests that it could potentially be delivered at a lower capital cost as it requires much less tunnelling; and assuming rapid transit is subsequently extended to Sheppard Avenue East, it serves more priority neighbourhoods and double the population within walking distance. In addition, preliminary work suggests that the subway from Kennedy to Scarborough Town Centre could be delivered close to the existing provincial funding commitment of \$1.48 billion. All of these factors suggest using the existing SRT alignment, which is also the approved alignment for the LRT in the master agreement, is

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worthy of the most serious consideration. It offers the possibility of a better solution at lower cost serving more people and generating greater economic growth than any other alignment.

Metrolinx staff met with City and TTC officials on August 29, 2013, when the alignment using the route previously approved for the LRT was discussed and our feasibility study was shared. At that time, TTC officials agreed to review the technical feasibility of the route. I understand that the TTC continues to review this alignment and we are grateful for this work. We will continue to work closely with Mr. Byford and his team to assess the various technical issues and financial estimates.

We acknowledge the need for careful due diligence to confirm our preliminary analysis. We look forward to working closely with your colleagues at the TTC and City to complete this confirmatory work in the next few weeks. Once that work is completed, we will expect Metrolinx management to bring a full report and recommendation to the Metrolinx Board of Directors for consideration. Ultimately, the alignment for the proposed extension will need to receive approval in accordance with the Environmental Assessment Act.

Metrolinx and the Province support securing strong federal support for the rapid transit for the Greater Toronto and Hamilton Area. We encourage the City's efforts to achieve this goal as well and we are willing to assist the City in any way we can.

As you know, Metrolinx has been clear in communicating its position to City and TTC officials on the proposed subway extension both before and after City Council's July 17th decision, regardless of the alignment that is ultimately approved and constructed. The position consistently communicated to City and TTC representatives includes:

- Provincial funding of \$1.48 billion (\$2010) is available for the project.
- All sunk costs for the approved Scarborough LRT, currently estimated at \$85 million, must be reimbursed by the City.
- Any costs associated with the re-negotiation of the contract with Bombardier for the supply of LRVs will need to be reimbursed by the City.
- Provincial contributions towards the project will begin no earlier than 2018/19.
- The extension of the TTC's subway would be a City/TTC project, and the City would be responsible for project scope and schedule, including any cost overruns, operating costs and maintenance costs.
- The Province and Metrolinx will work with the City and TTC to align the scope of the project and the routing with provincial growth and transportation objectives, reflecting the need to maximize economic growth and employment along the corridor.
- The Province is interested in building in a role for Infrastructure Ontario to support the City's and TTC's efforts to deliver the project to its schedule and budget.

Preliminary estimates of costs and the potential schedule for the SRT alignment were included in the report we provided to City and TTC officials on August 29th. This represents preliminary work and it was agreed, at that time, that the TTC would undertake an initial review of the report, recognizing that the alignment required significant technical review and analysis.

In terms of the impact of the SRT alignment on the existing Scarborough RT service, it is acknowledged that a shutdown would be required, of up to three years. This is essentially the same as the period of shutdown time built into the LRT project, which City Council and the TTC

approved and was included in the master agreement. In terms of the costs associated with the bus bridge, this would need to be addressed in the context of any amendments to the master agreement. The master agreement currently provides for the four existing approval projects, Metrolinx will reimburse the net incremental operating costs incurred by the TTC which are attributable to disruption to normal service as a result of and during construction.

As indicated above, Metrolinx's position is that the extension of an existing TTC asset, in this case the Bloor-Danforth subway, must be owned and operated by the TTC. Metrolinx will provide input, advice and support to the TTC, and Infrastructure Ontario is ready to support the project to help ensure it is delivered to schedule and to budget.

Metrolinx continues to rely on the master agreement, as it may be amended from time-to-time, as the legal contract with the City and the TTC. As was agreed with the City and TTC officials when we met, to implement the proposed extension of the Bloor-Danforth subway, an amendment to the master agreement would be required.

Metrolinx is also interested in working with the City of Toronto and the Region of Durham to extend the Pulse bus rapid transit system into Toronto, linking in to the Scarborough Town Centre and serving important regional destinations, such as Centennial College and the University of Toronto at Scarborough. This is a priority project in the Next Wave of transit priorities set out in *The Big Move* and would strengthen the role of Scarborough Town Centre as an important regional hub.

Metrolinx's objective continues to be the delivery of improved transit services to the entire Greater Toronto and Hamilton Area, including the City of Toronto. There continues to be great progress, with projects including the revitalization of Union Station, the Eglinton Crosstown, 30-minute service on the GO Lakeshore rail lines, the construction of the Union Pearson Express, the opening of the initial York Viva Rapidways service along Highway 7, the construction of the Mississauga Transitway, and the deployment of PRESTO, with over 750,000 customers currently in place, advancing well. These are just some of the several hundred projects currently underway, many of which are made possible by strong partnerships with the affected municipalities and their transit systems. Our interest is in moving forward with the Scarborough rapid transit project as quickly as possible based on a strong partnership with the TTC and the City of Toronto.

As always, I would be pleased to discuss these matters with you at your convenience.

Warm Regards,



J. Robert S. Prichard
Chair
Metrolinx

- c. Bruce McCuaig, President and Chief Executive Officer, Metrolinx
Joe Pennachetti, City Manager, City of Toronto
Andy Byford, Chief Executive Officer, Toronto Transit Commission