



Report to: Development Services Committee

Meeting Date: November 28, 2023

SUBJECT: Yonge North Subway Extension – Resource Agreement
Between the City of Markham and Metrolinx

PREPARED BY: David Fleischer, MCIP, RPP, ext. 3138
Senior Planner, Policy and Research

REVIEWED BY: Kant Chawla, MCIP, RPP, ext. 2623
Project Manager, Yonge North Subway Extension

RECOMMENDATION:

1. That the report titled “Yonge North Subway Extension – Resource Agreement between City of Markham and Metrolinx” be received;
2. That staff be directed to continue to negotiate the Resource Agreement and any other necessary associated documents with Metrolinx and that the Chief Administrative Officer be authorized to execute the Resource Agreement on terms satisfactory to the City Solicitor in consultation with the Commissioner of Development Services; and,
3. That staff be authorized and directed to do all things necessary to give effect to the resolution.

PURPOSE:

The purpose of this report is to seek Council authorization to enter into a Resource Agreement (RA) with Metrolinx for the Yonge North Subway Extension project (YNSE).

The RA establishes respective roles and responsibilities for the project and provides a framework for Metrolinx to fund City Staff resources dedicated to all aspects of the long-term planning and delivery of this transformative subway project.

BACKGROUND:

In 2019, the Province announced the YNSE project as part of a \$28.5 billion expansion of the Greater Toronto Area transit network. The YNSE project is being planned by Metrolinx and will extend the TTC Line 1 (Yonge) subway from its current Finch Station terminus, approximately 8 kilometres north, to Richmond Hill Centre. The YNSE alignment runs from Toronto, through both Vaughan and Markham to Richmond Hill. The corridor will include new subway stations in Markham at Steeles Avenue, Clark Avenue, Royal Orchard Boulevard, and Bridge Station, as well as at High Tech Road, in Richmond Hill. The YNSE is currently scheduled to begin operation in 2031.

The Province enacted the Building Transit Faster Act in 2020 to support and expedite the delivery of the subway projects.

Significant staff resources are required to manage the City of Markham’s involvement, given the high priority the City has placed on delivering the YNSE project, including the planning of stations, infrastructure and facilities, and the expeditious processing of various permits and approvals as it progresses.

In 2020, the Province and York Region entered into a Preliminary Agreement to provide continued support for the project. In the absence of the executed RA, Metrolinx issued a Comfort Letter, dated August 7, 2020, which committed Metrolinx to fund municipal staff resources for York Region, as well as for the Cities of Markham, Richmond Hill and Vaughan. An updated Comfort Letter was issued independently to each municipality on March 31, 2023.

Staff have since continued to work with Metrolinx to finalize the RA for the City of Markham. Various departments across the City have contributed to the drafting of the agreement, which is intended to ensure that the City has the appropriate resources, that the City's interests are managed and that City staff participation is recoverable.

In the meantime, work on the YNSE continues to advance. Staff are currently and regularly engaged with Metrolinx and other stakeholders on various aspects of the project's planning and design. The Request for Qualification (RFQ) for the YNSE Advance Tunnel Works was issued in April 2023 and a Request for Proposals (RFP) is anticipated to follow, once the shortlist of proponents selected to bid on the contract has been identified by the Province. Staff have been advised that the RFP is expected to be released in late 2023 and the contract awarded in 2024.

OPTIONS/ DISCUSSION:

The RA provides the process, terms and conditions for the City to be reimbursed for the services to be rendered by Staff and their time spent on expediting the review, facilitating and monitoring the delivery of the YNSE project. The broad highlights of the terms of the RA that Staff is negotiating with Metrolinx are as follows:

- The RA outlines the roles and responsibilities of the City and Metrolinx, to plan and deliver the YNSE project;
- The terms outlined in the RA provide for Metrolinx to fully reimburse the City for full-time equivalent (FTE) staff resources dedicated to the review, coordination and monitoring of the YNSE project;
- The RA provides for Metrolinx to reimburse the City for other staff involved in the project through the submission of timesheets, based on annual work plans;
- The RA enables the City to retain outside consultants to undertake tasks, as necessary, with costs to be recovered from Metrolinx; and
- The City commits itself to the timely delivery of services, including reviewing submittals, issuing permits and approvals and collaborating and communicating with stakeholders, in order to ensure the efficient delivery of the YNSE.

Executing the agreement will ensure the City of Markham is properly resourced and provided with full cost recovery for Staff time associated with facilitating the delivery of the YNSE, which is also a top-priority infrastructure project for the City of Markham, York Region and its municipal partners.

In light of the foregoing and for continued sustained funding to deploy adequate staff resources on the YNSE project, Staff seeks Council direction to continue to negotiate the

RA with Metrolinx and to authorize the Chief Administrative Officer to execute the RA on terms satisfactory to the City Solicitor, in consultation with the Commissioner of Development Services.

CONCLUSION:

Dating back to the initial 2020 Comfort Letter, Metrolinx has acknowledged the need to reimburse municipalities for Staff for time spent facilitating the delivery of the YNSE. Staff are working with Metrolinx to finalize the RA and are seeking Council's endorsement to finalize the execution of the Resource Agreement. The RA will allow Markham to have dedicated staff to support the YNSE project and to be reimbursed for services rendered.

FINANCIAL CONSIDERATIONS:

The Staff resource funding component of the RA will have no impact on the City's budget for identified resources. The cost associated with staff time on this project will be fully funded by Metrolinx.

HUMAN RESOURCES CONSIDERATIONS:

The RA provides for the full funding of FTE personnel dedicated to working on the YNSE and reimbursement through timesheets for other staff.

ALIGNMENT WITH STRATEGIC PRIORITIES:

The expeditious delivery of the YNSE supports the City's Strategic Plan through facilitating achievement of safe, sustainable and complete communities. Further, sound, transparent and responsible fiscal management is crucial to ensuring the efficient and effective service delivery for the City.

BUSINESS UNITS CONSULTED AND AFFECTED:

All impacted City departments have been consulted on the RA, including Legal Services.

RECOMMENDED BY:

Darryl Lyons, M.C.I.P., RPP
Deputy Director, Planning and Urban Design

Giulio Cescato, M.C.I.P., R.P.P.
Director, Planning and Urban Design

Arvin Prasad, M.C.I.P., R.P.P.
Commissioner of Development Services

APPENDICES:

N/A

