



January 31, 2012

Mayor Rob Ford
Office of the Mayor
Toronto City Hall
100 Queen St. West, 2nd Floor
Toronto, ON
M5H 2N2

Councillor Karen Stintz
Toronto City Hall
100 Queen Street West
Suite B32
Toronto, ON
M5H 2N2

Your Worship Mayor Ford and Chair Stintz:

I write with respect to the Metrolinx transit projects in Toronto. My purpose in writing is to be clear on our approach to the transit projects and to give you guidance as you and your colleagues on City Council and the Toronto Transit Commission debate these issues.

At the outset, however, I would like to restate the principles that guided our negotiations a year ago and led to the Memorandum of Understanding (MoU), as these continue to reflect the provincial interest and therefore the mandate given to Metrolinx:

1. **Sound Regional Transit Planning:** Any projects to be paid for by the Province must achieve sound transportation objectives for the City and the region, and reflect the goals and principles of our regional transportation plan, The Big Move.
2. **Budget and Cost:** The maximum budget for the provincial contribution to the plan remains fixed at the original \$8.4 billion (2010 dollars). Any plan must be cost-effective and involve no cost increases to the Province over the original budget, in terms of the total provincial investment, the cash flow required in each year and the Province's ability to amortize its investment over the life of the assets. Any additional costs must be paid by the City or other partners.
3. **Penalties:** The Province is not prepared to pay any penalties related to contractual commitments or the loss of investments that result from changes sought by the City. These costs must be borne by the City just as the penalty costs and losses incurred by virtue of the MoU remain the City's responsibility.

.../2

4. **Cost of Delay:** Delays in the delivery of results to residents are not acceptable. In the event that further delays occur in the delivery of projects, any delay costs must be assumed by the City.
5. **Traffic:** Any plan should minimize adverse impacts on traffic to the extent reasonably possible.

Metrolinx and the TTC, with TTC acting as the agent for Metrolinx, are making good progress with various elements of the Eglinton-Scarborough Crosstown LRT line including: acquiring tunnel boring machines, buying land on Eglinton for the vehicle maintenance and storage facility, preparing to initiate tunneling on the central part of the line, acquiring and refining the LRT vehicles and doing detailed planning. This progress and current work – located along the westernmost portion of the Crosstown line – is consistent with both the previous “transit city” plan as well as the “MoU” line.

We will soon have to choose between these competing proposals – namely at or below grade, east of Laird Drive to Kennedy Road. In order to continue with this important project we require the support of, and clarity from, the City of Toronto. As such, we are concerned that the MoU has not yet been confirmed by Toronto City Council. Our concern has been sharply elevated in recent days by widely reported public statements from TTC Chair Karen Stintz and other members of Council suggesting Council will reject the terms of the MoU and seek a different transit plan with Metrolinx.

Absent Council's endorsement of the MoU, the City is not bound by the plan and it is increasingly difficult for Metrolinx to implement it. We believe that both you and Council must soon confirm the direction the City wishes to take.

Metrolinx remains committed to moving ahead with major transit projects in partnership with the TTC and the City of Toronto. Our citizens want results and we are committed to delivering them with you. We ask that you confirm the City's position at the earliest possible date consistent with your processes. My colleagues and I remain available to meet with you at your convenience to review these issues and move forward.

Warm personal regards,



J. Robert S. Prichard
Chair

Encl.

c: Joe Pennachetti, City Manager, City of Toronto
Gary Webster, Chief General Manager, Toronto Transit Commission
Bruce McCuaig, President and Chief Executive Officer, Metrolinx
Bob Chiarelli, Minister of Transportation, Minister of Infrastructure