

Crosstown up to a cap of \$650 million, is reallocated to the McCowan Corridor Subway; and

- f. make any further amendments to the Master Agreement as may be necessary to reflect the removal of the Scarborough LRT from the Program,

all on such terms and conditions as are satisfactory to the City Manager and Toronto Transit Commission Chief Executive Officer, in consultation with any other relevant City officials, and in a form acceptable to the City Solicitor, and authorize the City Manager and the Mayor and any other relevant City official as may be required to enter into any such agreement.

2. Authorize the City Manager to negotiate a contribution agreement with the Federal Government, and any other parties as may be required, to accept the announced federal contribution of up to \$660 million (inflated dollars) to the cost of constructing the McCowan Corridor Subway, upon such terms and conditions as are set out in this report and in the attached letter from the federal Minister of Infrastructure, Communities and Intergovernmental Affairs, including the requirement to undertake a P3 assessment, and upon such other terms and conditions as are satisfactory to the City Manager and the Toronto Transit Commission Chief Executive Officer, in consultation with any other relevant City officials, and in a form acceptable to the City Solicitor, and authorize the City Manager and the Mayor and any other relevant City official as may be required to enter into any such agreement.
3. Direct that no City revenues allocated to other services or programs provided by the City or City agencies be reallocated to the McCowan Corridor Subway, as determined by City Council at its July 16, 17, 18 and 19, 2013 meeting.
4. Direct the City Manager to report back directly to City Council if agreements cannot be reached under either of Parts A.1. or A.2. above.
5. Direct the City Manager to further negotiate the following with the Province and Metrolinx, and to report back to City Council with the results of such negotiations:
 - a. an agreement for the payment by the City to Metrolinx of such actual sunk costs as are independently verified as accurate by a third party auditor that were incurred by Metrolinx prior to or as a result of Council's July decision for work undertaken by Metrolinx on the Scarborough LRT project under the Master Agreement, including any potential costs associated with the LRT vehicle supply contract.
 - b. an agreement that defines the roles of the City and Metrolinx in the funding of operating and maintenance costs of new rapid transit projects, including the Bloor-Danforth extension and the Metrolinx Program covered by the existing Master Agreement, inclusive of compensation by Metrolinx to the City for any costs which would have been borne by Metrolinx under the Master Agreement in respect of the Scarborough LRT related to operations, capital maintenance and such other costs as may be negotiated between the parties.