

Head Office

One Dundas Street West
Suite 2000, Toronto, ON
M5G 1Z3

Siège de direction

1, rue Dundas Ouest
bureau 2000, Toronto, ON
M5G 1Z3



**Infrastructure
Ontario**

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IO April 2021 Market Update

I am pleased to present IO's first Market Update for 2021. This quarter's listing of 41 projects in pre-procurement and procurement (totalling an estimated \$60 billion in contract value) confirms the continuation of Ontario's historic commitment in modernizing the province's public assets, including highways, public transit, hospitals, children's treatment centres, courthouses and correctional facilities. The list also includes 12 additional government-announced projects in early stages of planning and determining the project's scope, timing and delivery model.

Health and Long-Term Care

Late last year we marked the completion of our 50th P3 Health project. We are well along in the work for our next 50 as we support hospitals and the Ministry of Health in the continued modernization of our province's health care system. As announced in the recent Ontario Budget, we are proud to partner with Trillium Health Partners in their ambitious capital redevelopment program. Our long and successful partnership with Trillium includes several capital projects, the ongoing rapid construction of two long-term care facilities, and additional advisory support. We are also pleased to confirm the addition of the Children's Hospital of Eastern Ontario (CHEO) project—previously in the planning category—to pre-procurement as a Design-Build-Finance. The CHEO 1door4care redevelopment project will bring seven locations under one roof, improving access and care for kids and youth with special needs, medical complexity or facing mental health challenges, and their families.

IO is also supporting the Ministry of Long-Term Care by leading its Long-Term Care Land Disposition Program. This program is offering surplus government lands that have been identified for disposition for the specific purpose of addressing capacity issues and delivering long-term care.

Transit

The April 2021 Market Update demonstrates continued progress on the significant work underway with our Metrolinx partners. We are excited to confirm that two of the three Ontario Line contracts, and two of three subway extensions projects, are scheduled to be in market next quarter. Early work has already begun toward advance tunneling projects on both the Scarborough Subway Extension and the Eglinton Crosstown West Extension as we expect to finalize advance tunneling contracts later this spring.

We and our partners at Metrolinx continue to finalize the contract models for the balance of the subways program. Our ability to continuously adapt to the project needs and market feedback have resulted in an incredibly competitive set of international bidders for those projects we have already procured. We continue to consider and adapt in our work as we seek the best approach to procure each of our contracts.

Transportation

The Garden City Skyway is identified in the planning section of our Update along with those already progressing toward RFQs this year (Highways 3 and 17). We look forward to providing more detail for future highway projects ultimately confirmed by Government to be P3s delivered by IO.

Justice

The early success of rapid construction on long-term care homes in Mississauga, Toronto and Whitby has led to adopting the program for the Thunder Bay Correctional Centre and Kenora Jail. We anticipate further use of this rapid delivery approach for additional projects as the Province continues to identify urgent capital needs and opportunities to use proven, faster delivery methods.

Transforming the Way We Manage Government's Real Estate Assets

Working on behalf of the Government of Ontario, IO manages one of Canada's largest and most diverse real estate portfolios in Canada. It includes nearly 4,500 buildings and other structures, more than 15 million square feet in rentable office space and one million acres of land spanning the province. We are currently working with our contracted partners to manage, transact leases and maintain those assets through property and land management contracts that are set to expire next year.

IO is working toward transformational partnerships with industry partners to manage, maintain, transact and enhance that portfolio through multi-year commitments. We look forward to speaking to various potential partners about the shape of the intended transformation this summer – and expect competitive procurements for support to commence this year. We look forward to sharing more details in future Market Updates.

Broadband

Our vision at IO is to be a world class agency creating a connected, modern and competitive Ontario. That is why we are proud to be supporting the government's significant commitment to expand broadband access to unserved and underserved areas across the province. The government of Ontario's investment is an opportunity for innovative partnerships with industry to provide high-speed broadband infrastructure throughout Ontario quickly, and cost effectively, by 2025. We look forward to sharing more details on how we hope to support the Ministry of Infrastructure in fulfilling this transformative Government commitment.

Continuous Improvement – Our Work and Our Market Updates

The Update we are presenting today marks a significant step forward as we broaden the type of planning information we share with industry. As the market changes and government project needs evolve, so must we. We have been listening closely to the ideas and concerns of our industry partners and will continue to do so at all levels of our organization.

Adding PDC and TA Details to the Update: A new addition to our Market Update is detail regarding projects that include planning, design and compliance (PDC) and technical advisory (TA) contracts. These pre-project contracts enable us to plan for the most effective and cost-competitive projects on behalf of the Government and taxpayers. We have heard from the market is that it's helpful to know which IO projects include contracts for a technical advisor and for planning, design and compliance advisory services. Those details are confirmed in a column in our pre-procurement chart.

Likewise, we anticipate initiatives such our transformative real estate outsourcing contract to be further detailed in the future Updates.

I would also like to formally welcome Angela Clayton back to Infrastructure Ontario as our new President of Project Delivery. I am extremely pleased that Angela agreed to rejoin IO's team and take on what I know personally to be an incredibly rewarding and challenging responsibility in leading the program that delivers on most projects you see in this quarter's update.

The April 2021 Market Update and the additional initiatives listed above reflect our constant pursuit of improving upon everything we do. Being sharp, skilful and solutions-oriented is in our DNA as a public agency. We constantly seek to earn the public's trust. We look forward to forming many new partnerships to complete this exciting body of work with those who share our values and continuous journey of improvement.

Thank You,

Michael Lindsay
President and CEO
Infrastructure Ontario