

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**

May 2, 2022

IO May 2022 Market Update

I am pleased to present IO's Market Update for May 2022. This is our second Market Update of 2022.

This quarter's listing of **38 projects in pre-procurement** and procurement (totalling more than **\$50 billion in estimated total capital cost**) builds upon 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 **17 government-announced projects in early stages of planning**, for which scope, timing and delivery model are still being determined.

Collaborating to Address Ongoing Challenges

The past two years have been unprecedented in the challenges faced across Ontario and around the world in response to the global pandemic. Our work with industry partners has required a resilience and level of collaboration that is equally unprecedented. Infrastructure Ontario thanks its partners for helping to advance the largest, most complex public projects amidst so much adversity.

As we look forward, we now face escalating costs not seen in a generation. We have had to work closely with government to ensure that project cost estimates are appropriately updated. We continue to work with industry partners to deal with escalations during active procurements. We take very seriously our role in ensuring that government has a clear expectation of cost for a given project, and a confidence that they are achieving value for money. We also take very seriously our commitment to the market to maintain a dependable pipeline which is appropriately staged to maximize opportunity and competition. This year continues to demonstrate our unwavering focus on progress and delivering on our commitments.

Developing Commercial Solutions, Executing Transactions and Managing Assets

We are continuously adapting our P3 program to address the changing market dynamics and the increasingly complex projects included within the Government's infrastructure program.

We have already launched the procurement for the first two of three health care projects using our new progressive procurement strategy. In this approach, we will work with an identified development partner in a more collaborative, up-front process. We believe this approach will pay significant dividends for the Province and taxpayers by encouraging wider competition and addressing various project risks, such as rising costs, before advancing to a fixed-price construction project.

Earlier this year I was proud to join Lakeridge Health to announce the completion and opening of its new long-term care home. Lakeridge Gardens was the first of four new long-term care facilities to be constructed in months rather than years using a new rapid-procurement and modular construction approach we are already expanding to use for other projects for which urgency is a priority.

As we continue our close collaboration with our industry partners, we will bring projects forward at a pace which will ensure the widest possible competition, recognizing that the construction industry is operating at near capacity. Just last month we have completed the contract executions for projects including Grandview Children's Treatment Centre, Thunder Bay Correctional Complex, West Lincoln Memorial Hospital and the GO

Transit OnCorr Expansion. We continue to bring several other projects to market through 2022, as seen by the issuance of the RFQ for the CHEO 1door4care redevelopment project in March.

IO's mission, its work and contribution to the province's infrastructure commitments goes well beyond its original P3 program that began almost 20 years ago.

We want to reflect more of that work to better provide the market and public at large a transparent view of our project planning overall. This includes literally hundreds of smaller projects such as building repair work that IO is delivering through our project management service providers along with other projects that IO is delivering directly on behalf of our various ministries. We have summarized much of that activity into regions given that much of that work is delivered by contractors based within those regions.

In March, we also issued a request for proposals to three best-in-class private sector companies who pre-qualified to compete for the Next Generation Real Property Services contract. The successful company will work in partnership with IO to support one of the largest real estate portfolios in Canada, comprising more than 4,400 buildings and 194,000 acres of land, effectively delivering services in over 350 communities across Ontario.

We are also preparing for the re-procurement of the Project Management Service Provider program. This program involves managing a variety of enhancement, expansion and new construction projects focused on the government's General Real Estate Portfolio and other ministry-driven projects across the province. IO will look to the Project Management Service Provider to deliver projects from inception through to final completion including design, construction and commissioning, utilizing a predominantly Design-Bid-Build contract model for designers and contractors. We will be in market early 2023 with contract signing in the fall and a planned contract commencement the following spring of 2024.

Creating a Connected, Competitive and Modern Ontario

IO is proud to play a key role in the Government's commitment to help connect all Ontario communities to access to high-speed by the end of 2025. The Accelerated High-Speed Internet Program is the first of its kind in Canada and leverages a new, innovative, fair and transparent procurement process.

In late 2021, IO qualified dozens of Internet Service Providers (ISPs) to compete in a unique bidding process to deliver high-speed internet access to unserved and underserved communities across Ontario. I am pleased to say there was significant competition from local, small and medium providers. This process is coming to a close and is expected to have an incredible impact on more homes and businesses across Ontario.

Thank You,

Michael Lindsay
President and CEO
Infrastructure Ontario

May 2022 Market Update

MAJOR PROJECTS

Pre-Procurement

Project	Model	PDC/TA Procurement	Issue RFQ	Issue RFP	Contract Execution	Location	Estimated Total Capital Costs
TRANSIT							
Yonge North Subway Extension - Advance Tunnel	DBF	Awarded	May – Jun 2022	Jul - Sep 2022	Jul - Sep 2023	Toronto/York Region	\$2B - \$4B
Ontario Line – Northern Civil, Stations and Tunnel	DBF	Awarded	Jul - Sep 2022	Jan - Mar 2023	Jul - Sep 2024	Toronto	> \$3B
Eglinton Crosstown West Extension - Stations, Rail and Systems	TBD	Awarded	TBD	TBD	TBD	Toronto	\$2B - \$4B
Yonge North Subway Extension - Stations, Rail and Systems	TBD	Awarded	TBD	TBD	TBD	Toronto/York Region	\$2B - \$4B
TRANSPORTATION							
Highway 17 (through Renfrew)	DBF	RFP Closed	Jul - Sep 2022	Jan - Mar 2023	2024	Arnprior to Renfrew	\$200M - \$499M
Bradford Bypass	TBD	Jul – Sep 2022	Jul - Sep 2022	TBD	TBD	York Region/Simcoe County	> \$1B

* All projects subject to change and Government approvals.

Project	Model	PDC/TA Procurement	Issue RFQ	Issue RFP	Contract Execution	Location	Estimated Total Capital Costs
Garden City Skyway Twinning	DBF	Jul – Sep 2022	Oct – Dec 2022	TBD	TBD	St. Catharines	> \$1B

JUSTICE

Eastern Ontario Correctional Complex	DBFM	Awarded	Jul - Sep 2022	Jul - Sep 2023	2024	Kemptville	\$200M - \$499M
Brockville Correctional Complex / St. Lawrence Valley Correctional and Treatment Centre	DBF	RFP Closed	Oct - Dec 2022	Oct - Dec 2023	2025	Elizabethtown-Kitley	\$200M - \$499M
Quinte Detention Centre	BF	May - Jun 2022	Apr - Jun 2023	Jan - Mar 2024	2024	Napanee	< \$200M

*HEALTHCARE

The Ottawa Hospital – New Civic Redevelopment	Progressive DBFM	TBD	N/A	Jul - Sep 2022 (Dev. Partner)	Jan - Mar 2023: (Dev. Phase Agreement) 2024: (Project Agreement)	Ottawa	> \$2B
Quinte Health Care– Prince Edward County Memorial Hospital Redevelopment	BF	N/A	Jul - Sep 2022	Apr - Sep 2023	Oct - Dec 2023	Picton	< \$200M
William Osler Health System - Peel Memorial Centre for Integrated Health and Wellness Phase 2	DBF	RFP Closed	Jul - Sep 2022	Apr - Jun 2023	Apr - Jun 2024	Brampton	\$500M - \$1B
Lakeridge Health – Bowmanville Hospital Redevelopment	DBF	Jul – Sep 2022	Jan - Mar 2023	Jul - Sep 2023	Jul - Sep 2024	Bowmanville	\$500M - \$1B
Stevenson Memorial Hospital – Redevelopment	BF	TBD	Jul - Dec 2023	Jan - Jun 2024	Oct - Dec 2024	Alliston	< \$200M
Hamilton Health Sciences – Juravinski Hospital Redevelopment	DBF	Jul - Sep 2022	Oct - Dec 2023	Apr - Jun 2024	Apr - Jun 2025	Hamilton	> \$1B

* All projects subject to change and Government approvals.

Project	Model	PDC/TA Procurement	Issue RFQ	Issue RFP	Contract Execution	Location	Estimated Total Capital Costs
North York General Hospital – Inpatient Redevelopment	DBF	Jan - Mar 2023	Jan - Mar 2024	Oct - Dec 2024	Oct - Dec 2025	Toronto	> \$1B
Collingwood General and Marine – Hospital Redevelopment	DBF	Oct - Dec 2023	Oct - Dec 2024	Apr - Jun 2025	2026	Collingwood	\$200M - \$499M
Oak Valley Healthcare – Uxbridge Redevelopment	BF	Oct – Dec 2023	Oct 2024 – Jun 2025	Jul 2025 - Jan 2026	Apr - Sep 2026	Uxbridge	< \$200M
Windsor Regional Hospital – New Windsor Essex Regional Hospital	DBFM	In Market	Apr - Jun 2025	Jan - Mar 2026	Apr - Jun 2027	Windsor	> \$2B
Scarborough Health Network Birchmount Redevelopment Phase 1A	DBF	Jun – Sep 2024	Jun – Sep 2025	Apr – Jun 2026	Apr – June 2027	Toronto	> \$1B
Unity Health Toronto - St. Joseph's Health Centre Redevelopment	DBF	Jul - Sep 2025	Jul - Sep 2026	Jan - Mar 2027	Jan - Mar 2028	Toronto	> \$1B
The Hospital for Sick Children – Project Horizon	DBFM	TBD	> 5 years	> 5 years	> 5 years	Toronto	> \$2B
Lakeridge Health – Broader Redevelopment	TBD	TBD	> 5 years	> 5 years	> 5 years	TBD	TBD
Muskoka Algonquin Healthcare – Bracebridge and Huntsville Redevelopments	TBD	> 5 years	> 5 years	> 5 years	> 5 years	Bracebridge and Huntsville	\$500M - \$1B
University Health Network – Toronto Western Surgical Tower	TBD	TBD	TBD	TBD	TBD	Toronto	\$500M - \$1B

*The Ministry of Health continues to review timing and cost details of each project in light of the Province's ongoing COVID-19 response and recovery work.

* All projects subject to change and Government approvals.

Active Procurement

Project	Model	Issue RFQ	Issue RFP	Contract Execution	Location	Estimated Total Capital Costs
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TRANSIT

Ontario Line – Rolling Stock, Systems, Operations and Maintenance	DBFOM	June 2020	December 2020	Oct - Dec 2022	Toronto	> \$2B
Ontario Line – Southern Civil, Stations and Tunnel	DBF	June 2020	December 2020	Oct - Dec 2022	Toronto	> \$4B
Scarborough Subway Extension – Stations, Rail, and Systems	*Progressive DB (target price)	September 2021	February 2022 (Dev. Partner)	Oct - Dec 2022: (Dev. Phase Agreement) Jan - Mar 2024: (Project Agreement)	Toronto	\$2B - \$4B
Eglinton Crosstown West Extension - Advance Tunnel (Jane to Mt. Dennis)	DBF	December 2021	April 2022	Jan - Mar 2023	Toronto	\$200M - \$500M

TRANSPORTATION

Highway 3	DBF	June 2021	December 2021	Apr - Jun 2023	Town of Essex to Leamington	< \$200M
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HEALTH CARE

Niagara Health - New South Niagara Hospital Project	DBFM	February 2021	October 2021	Oct - Dec 2022	Niagara	> \$1B
Kingston Health Sciences Centre - Kingston General Hospital Redevelopment	DBF	August 2021	Jan - Mar 2023	Jan - Mar 2024	Kingston	\$500M - \$1B
Trillium Health Partners Broader Redevelopment – Queensway Health Centre	BF	October 2021	Jul - Dec 2022	Jul – Sep 2023	Toronto	\$500M - \$1B

* All projects subject to change and Government approvals.

Project	Model	Issue RFQ	Issue RFP	Contract Execution	Location	Estimated Total Capital Costs
Weeneebayko Area Health Authority – Health Campus	Progressive DBF	N/A	January 2022 (Dev. Partner)	Jul - Sep 2022: (Dev. Phase Agreement) 2024: (Project Agreement)	Moosonee/Moose Factory	\$200M - \$499M
Centre for Addiction and Mental Health - Phase 1D Redevelopment	DBF	February 2022	Oct - Dec 2022	Oct - Dec 2023	Toronto	> \$1B
Trillium Health Partners Broader Redevelopment – Mississauga Hospital Site	Progressive DBFM	N/A	April 2022 (Dev. Partner)	Oct - Dec 2022: (Dev. Phase Agreement) 2023: (Project Agreement)	Mississauga	> \$2B
CHILDREN'S TREATMENT CENTRES						
1Door4Care Integrated Treatment Centre Project	DBF	March 2022	Oct - Dec 2022	2023	Ottawa	\$200M - \$499M

* All projects subject to change and Government approvals.

Projects in Planning

The government has also announced several projects that are early in the planning process. Details including delivery model, timing and scope are still being determined.

TRANSIT

Line 4 Extension (Sheppard East) Subway

Hamilton LRT

Eglinton Crosstown West Extension Airport Segment

TRANSPORTATION

Highway 413

HEALTH CARE

Lake of the Woods District Hospital (Kenora) – Redevelopment Project

Hotel Dieu Shaver (St. Catharines)

London Health Sciences Centre – Stem Cell Transplant Expansion

South Bruce Grey Health Centre – Kincardine Site Phase 1 Redevelopment Project

Sunnybrook Health Sciences – Critical Care Tower

Royal Victoria Health Centre – Phase 1 Redevelopment

Brant Community Health Care – Redevelopment

Southlake Regional Health Sciences – Phase 1 Redevelopment

Grand River Hospital and St. Mary's General Hospital – Joint Redevelopment Project

William Osler Health System – Radiation Oncology Project

PUBLIC WORKS

Grosvenor Office Tower

MECP/MLTSD Science Complex

Ontario Place Landscape and Public Realm Construction

GLOSSARY

■	Red bordered content represents new projects.
■	Blue bordered content represents updated procurement information and/or estimated capital costs.
■	Green bordered content represents projects which have moved into new phases.

BF	Build Finance
DBF	Design Build Finance
DBFM	Design Build Finance Maintain
DBFOM	Design Build Finance Operate Maintain
DBOM	Design Build Operate Maintain
RFQ	Request for Qualifications
RFP	Request for Proposals
PDC	Planning and Design Consultant
TA	Technical Advisor
TBD	To be Determined

* All projects subject to change and Government approvals.

May 2022 Market Update

REAL ESTATE PORTFOLIO

Major Repairs and Building System Replacements

IO manages Ontario's portfolio of government land and buildings that house the public sector programs, services and people that keep our province running. We oversee the day-to-day operation and long-term maintenance of these facilities through partnerships with private sector service providers.

Projects / Grouping	Estimated Number of New Projects in each Region			
	South	Central	East	North
Foundations/ Structural	20	7	25	13
Cladding/ Fenestration	22	13	14	23
Electrical Systems	11	6	4	10
Elevator Systems	1	1	1	0
Life-Safety Systems	5	3	5	9
Roof Systems	6	7	4	15
Others such as above ground storage tanks, landscaping, retaining walls, parking lots, washroom retrofits, etc.	9	3	6	4
Piping Systems	20	11	6	30
Boilers/HVAC	16	29	19	30
TOTAL NUMBER OF PROJECTS	110	80	84	134

* All projects subject to change and Government approvals.