

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**

December 5, 2023

December 2023 Market Update

Colleagues,

I am pleased to present Infrastructure Ontario's Market Update for December 2023.

This Market Update includes a listing of 31 projects in pre-procurement and active procurement (totalling more than \$35 billion in estimated design and construction costs). These projects build upon the provincial government's historic commitment to modernizing and expanding the province's public assets.

December's list also includes 20 government-announced projects in the initial stages of planning, for which scope, timing and delivery model are still being determined.

Since our last update in March, three projects in our pipeline have advanced to construction, and three projects have been added in the justice, tourism and culture sectors.

This update reinforces the relentless progress IO and its partners continue to make, despite the significant challenges facing our industry around the globe. Since 2020, IO has brought 30 projects to market, began construction on 24 projects and achieved substantial completion of 30 projects. In just the last four years, we have completed eleven hospitals, six justice facilities, and ten transit and transportation projects. We saw excellent competition in all but one or two of our largest hospital projects during this tumultuous time. The total value of contracts currently in construction is approximately \$43 billion, not including the three Progressive P3 hospital projects in Mississauga, Ottawa, and Moosonee for which we have now identified a development partner.

Continuing to be a market of choice for industry partners:

Our track record of success is crucial in maintaining the confidence of taxpayers and decision-makers. We do that by delivering projects on budget and on schedule well above industry standards. As of March 2023, IO had brought 80 projects to substantial completion since the inception of its capital delivery program almost 20 years ago. More than two-thirds of those projects (68%) have been completed on schedule and 94% have been completed on budget.

That success requires a healthy, competitive market and the ability to adapt our approaches in a way that meets anticipated needs and many challenges, new and old. We do so thanks to a constant dialogue with our public sector clients and industry, sharing insights and perspectives.

That dialogue has led directly to a number of substantive changes to our timelines, our contract models, and our approach to capital delivery. We continue to be very deliberate and transparent about the staging/timing of our projects - taking note of market feedback about when to bring projects to market in order to secure the most robust competition. We continue to deploy a broad set of contract forms - selecting the model which is most appropriate to the size, complexity, and risks of a

given project. Finally, we continue to use various mechanisms to encourage collaboration through the course of delivery including a more balanced approach to risk transfer, a commitment to new means of dispute resolution, and the use of affordability disclosures to enable transparent conversations about scope and cost.

For some projects included in December's Update, we continue to work with Government to determine the right procurement approach and models and will communicate those changes as soon as possible in the new year. We recognize that there is a greater volatility associated with model selection than has been our historic trend. We trust that market partners will recognize that this is driven by the volatility we are collectively observing within our industry. As always, we will engage all interested parties in specific discussions about the best model for given projects.

We will also be working closely with our ministry partners for projects in earlier stages of planning to identify opportunities for greater standardization of design, which will streamline the planning process and improve project outcomes. In doing so, we will work the Ministry of Health, in particular, to implement changes to oversight, scope and approach of functional planning and planning design consultants, to improve consistency and enable design standardization outcomes.

Finding other solutions and opportunities for Government through partnerships

The government calls on Infrastructure Ontario in many ways beyond our capital delivery program to make use of our position at the intersection where public sector needs meet private sector capabilities.

We are incredibly proud to be supporting the government's goal to deliver high-speed internet access to every community in the province by 2025. In August, we launched the first competitive process of its kind in Canada to select a qualified Satellite Internet Service Provider (Satellite ISP) to deliver satellite internet service to the province.

Last month, Ontario's Minister of Infrastructure Kinga Surma also announced the next wave of our Transit-Oriented Community sites. These developments will support the government's investment in public transit across the GTA and build vibrant, higher density, mixed-use communities connected to or within a short distance of transit stations. We are proud to work in an established collaborative process enshrined in a memorandum-of-understanding (MOU) approved by both the Province and the City – which governs when and how further details on TOC sites is made public.

In our work managing and modernizing the largest provincial real estate portfolio in the country, we also look forward to working with two new service providers in 2024 who will manage that portfolio (our Real Property Services program) and to project manage many high complexity projects with a value of up to \$20 million (our Project Management Service Provider, or PMSP).

I am also incredibly proud of the IO team that has led the site preparation for the new Volkswagen EV battery plant in St. Thomas. Despite extremely tight timelines, the team and our partners have successfully moved enough earth to fill the Toronto Blue Jays' stadium, the Rogers Centre. Finishing this work even earlier than the December 31 deadline ensures VW can begin constructing this massive source of employment and broader economic benefits in the new year.

Everyone at Infrastructure Ontario takes great pride in the privilege we have to contribute toward a connected, competitive and modern Ontario. We constantly strive to earn the public trust by delivering on what we promise and doing it better than anyone else could. The talented and committed people at IO are pivotal to that goal. We support the team's success by being a champion of equity, inclusion, diversity, and innovation inside and outside of IO's offices.

I look forward to taking on these and many new opportunities with all our partners and building on a legacy of success in 2024 and onward.

Thank you.

Michael Lindsay
President and CEO
Infrastructure Ontario

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**

Market UPDATE

December 2023



Table of Contents

Significant Changes	3
Transit and Transportation	4
Health	5
Public Works and Justice	7
Definitions and Chart Legend	8
For more information	9



Infrastructure Ontario's (IO) Market Update is an invitation to our industry, local and international, to plan and build strong, competitive bidding teams and partner with us on essential public projects.

IO is leading the procurement and delivery of 31 projects currently in pre-procurement and active procurement. These projects will build upon the provincial government's historic commitment to modernize the province's public assets, including highways, public transit, hospitals, schools, and justice facilities. The total estimated design and construction value of the projects in this Market Update is more than \$35 billion.

In addition to the pipeline of projects in pre-procurement and procurement, there are 20 projects in the initial stages of planning, for which scope, timing and delivery model are still being determined.

Significant Changes

Since the previous Market Update of March 2023, IO is pleased to provide the following updates:

- Advanced three projects to construction and another three projects have been added including justice, tourism and culture.

- Achieved contract execution on three projects, and executed one development phase agreement, demonstrating continued progress in successfully concluding procurements and executing on Government's priorities.
- Achieved Substantial Completion for 3 projects:
 - GO Expansion — Stouffville Corridor
 - Highway 401 Expansion
 - West Park Healthcare Centre
- As our new Progressive P3s advance, we are working with development partners on all three hospital projects (Weeneebayko Area Health Authority (WAHA) Redevelopment, Trillium Health Partners Broader Redevelopment — Peter Gilgan Mississauga Hospital, and the Ottawa Hospital Civic Campus Redevelopment) before proceeding with a fixed-price contract.

While the Market Update focuses on projects that have not yet achieved contract execution, with the growing relevance of collaborative and progressive approaches to contracting, four projects for a total estimated design and construction value of approximately \$18 billion are in a development phase with a development partner.

Transit and Transportation

Projects	Project Phase	Model	PDC/TA/AOR Procurement	Issue RFQ	Issue RFP	Contract Execution	Location	Estimated Design & Construction Cost
Eglinton Crosstown West Extension — Advance Tunnel (Jane to Mt. Dennis)	Active Procurement	DBF	N/A	December 2021	April 2022	Jan–Mar 2024	Toronto	\$200M–\$499M
Ontario Line — Elevated Guideway and Stations	Active Procurement	Progressive DB (target price)	Awarded	November 2022	April 2023	DPA: Jan–Mar 2024 CE: Jan–Mar 2025	Toronto	\$1B–\$2B
Ontario Line — Pape Tunnel and Underground Stations	Active Procurement	Progressive DB (target price)	Awarded	November 2022	April 2023	DPA: Jan–Mar 2024 CE: Oct–Dec 2025	Toronto	\$1B–\$2B
Garden City Skyway Twinning	Active Procurement	Progressive DB (target price)	Awarded	December 2022	Jan–Mar 2024	DPA: Jan–Mar 2025 CE: Jul–Sep 2026	St. Catharines	\$1B–\$2B
Yonge North Subway Extension — Advance Tunnel	Active Procurement	DBF	Awarded	April 2023	December 2023	Oct–Dec 2024	Toronto / York Region	\$1B–\$2B
Bradford Bypass — Western Section*	Pre-Procurement	CMGC	December 2023	N/A	Jan–Mar 2024	TBD	York Region / Simcoe County	TBD
Eglinton Crosstown West Extension — Stations, Rail and Systems	Pre-Procurement	TBD	Awarded	Jan–Mar 2024	TBD	TBD	Toronto	\$2B–\$4B
Yonge North Subway Extension — Stations, Rail and Systems	Pre-Procurement	TBD	Awarded	TBD	TBD	TBD	Toronto/ York Region	\$2B–\$4B

* This project will be delivered by the Ministry of Transportation.

Projects in Planning Phase: Transit and Transportation

Bradford Bypass - remainder of corridor	Highway 17 (through Renfrew)
Eglinton Crosstown West Extension Airport Segment	Highway 413
Hamilton LRT	Line 4 Extension (Sheppard East) Subway

Health

Projects	Project Phase	Model	PDC/TA/AOR Procurement	Issue RFQ	Issue RFP	Contract Execution	Location	Estimated Design & Construction Cost
Trillium Health Partners Broader Redevelopment — Queensway Health Centre	Active Procurement	BF	N/A	October 2021	October 2022	Jan–Mar 2024	Toronto	\$1B–\$2B
Centre for Addiction and Mental Health — Phase 1D Redevelopment	Active Procurement	DBF	N/A	February 2022	December 2022	Jan–Mar 2024	Toronto	\$1B–\$2B
The Ottawa Hospital — New Civic Redevelopment	Active Procurement	Progressive DBFM	N/A	N/A	November 2022 (Dev. Partner)	DPA: Jan–Mar 2024 CE: Jan–Mar 2026	Ottawa	\$2B–\$4B
Quinte Health Care — Prince Edward County Memorial Hospital Redevelopment	Active Procurement	DBB	N/A	March 2023	November 2023	Apr–Jun 2024	Picton	< \$200M
William Osler Health System — Peel Memorial Centre for Integrated Health and Wellness Phase 2	Pre-Procurement	TBD*	Awarded	Jan–Mar 2024	Jan–Mar 2025	Jan–Mar 2026	Brampton	\$500M–\$1B
Stevenson Memorial Hospital — Redevelopment	Pre-Procurement	TBD*	N/A	Apr–Jun 2024	Oct–Dec 2024	Apr–Jun 2025	Alliston	< \$200M
Lakeridge Health — Bowmanville Hospital Redevelopment	Pre-Procurement	TBD*	RFP Closed	Jul–Sep 2024	Jan–Mar 2025	TBD	Bowmanville	\$200M–\$499M

Projects	Project Phase	Model	PDC/TA/AOR Procurement	Issue RFQ	Issue RFP	Contract Execution	Location	Estimated Design & Construction Cost
Windsor Regional Hospital — New Windsor Essex Regional Hospital	Pre-Procurement	DBFM*	Awarded	Jan–Mar 2025	Jul–Sep 2025	Jul–Sep 2026	Windsor	\$1B–\$2B
North York General Hospital — Inpatient Redevelopment	Pre-Procurement	TBD*	TBD	Oct–Dec 2025	Apr–Jun 2026	Apr–Jun 2027	Toronto	\$500M–\$1B
Oak Valley Healthcare — Uxbridge Redevelopment	Pre-Procurement	TBD*	N/A	Oct–Dec 2025	Apr–Jun 2026	Oct–Dec 2026	Uxbridge	< \$200M
Hamilton Health Sciences — Juravinski Hospital Redevelopment	Pre-Procurement	TBD*	Awarded	Apr–Jun 2026	Oct–Dec 2026	Oct–Dec 2027	Hamilton	\$500M–\$1B
Scarborough Health Network Birchmount Redevelopment Phase 1A	Pre-Procurement	DBF*	Apr–Jun 2025	Jul–Sep 2026	Apr–Jun 2027	Jan–Mar 2028	Toronto	\$500M–\$1B
Collingwood General and Marine — Hospital Redevelopment	Pre-Procurement	DBF*	Jan–Mar 2025	Jan–Mar 2027	Jul–Sep 2027	Jul–Sep 2028	Collingwood	\$200M–\$499M
Unity Health Toronto — St. Joseph's Health Centre Redevelopment	Pre-Procurement	DBF*	Oct–Dec 2025	Jan–Mar 2027	Jul–Sep 2027	Apr–Jun 2028	Toronto	\$1B–\$2B
The Hospital for Sick Children — Project Horizon	Pre-Procurement	DBFM*	Jan–Mar 2026	Apr–Jun 2027	Oct–Dec 2027	Jul–Sep 2028	Toronto	\$1B–\$2B
Muskoka Algonquin Healthcare — Bracebridge and Huntsville Redevelopments	Pre-Procurement	DBF*	Jul–Sep 2026	Oct–Dec 2027	Apr–Jun 2028	Apr–Jun 2029	Bracebridge and Huntsville	\$500M–\$1B
Lakeridge Health — Broader Redevelopment	Pre-Procurement	TBD	TBD	> 5 years	> 5 years	> 5 years	TBD	TBD

* Infrastructure Ontario continues to review these projects for the most suitable delivery model (inclusive of procurement strategy and contract form) in recognition of continuing market feedback and other recently approved changes.

Note: 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.

Projects in Planning Phase: Health		
Brant Community Health Care — Redevelopment	Kingston Health Sciences Centre — Kingston General Hospital Redevelopment	Southlake Regional Health Sciences — Phase 1 Redevelopment
Grand River Hospital and St. Mary's General Hospital — Joint Redevelopment Project	Lake of the Woods District Hospital (Kenora) — Redevelopment Project	Sunnybrook Health Sciences — Critical Care Tower
Hotel Dieu Shaver (St. Catharines)	Royal Victoria Health Centre — Phase 1 Redevelopment	William Osler Health System — Radiation Oncology Project

Public Works and Justice

Projects	Project Phase	Model	PDC/TA/AOR Procurement	Issue RFQ	Issue RFP	Contract Execution	Location	Estimated Design & Construction Cost
Milton Courthouse User Experience Hub Plus	Pre-Procurement	TBD	Awarded	Apr–Jun 2024	Jul–Sep 2024	Oct–Dec 2024	Milton	< \$100M
OPP Modernization Phase 3 — Part 1	Pre-Procurement	DBF	December 2023	Apr–Jun 2024	Jan–Mar 2025	Apr–Jun 2026	Various	\$500M–\$1B
Relocation of Ontario Science Centre to Ontario Place	Pre-Procurement	TBD	Awarded	Apr–Jun 2024	Oct–Dec 2024	Oct–Dec 2025	Toronto	\$200M–\$499M
Quinte Detention Centre	Pre-Procurement	DBB	Awarded	Jul–Sep 2024	Jan–Mar 2025	Jan–Mar 2026	Napanee	< \$200M
Brockville Correctional Complex / St. Lawrence Valley Correctional and Treatment Centre	Pre-Procurement	TBD*	Awarded	Jul–Sep 2025	Jan–Mar 2026	Oct–Dec 2026	Elizabethtown-Kitley	< \$200M
Eastern Ontario Correctional Complex	Pre-Procurement	TBD*	Awarded	TBD	TBD	TBD	Kemptville	\$200M–\$499M

* Infrastructure Ontario continues to review these projects for the most suitable delivery model (inclusive of procurement strategy and contract form) in recognition of continuing market feedback and other recently approved changes.

Projects in Planning Phase: Public Works and Justice

Bigwind Lake Provincial Park
Grosvenor Office Tower
MECP / MLITSD Science Complex

Ontario Place Landscape and Public Realm Construction
OPP Modernization Phase 3 — Part 2

Definitions and Chart Legend

General Definitions

Note: Bold-face text denotes a change from the previous Market Update

AOR	Architect of Record
CE	Contract Execution
DPA	Development Phase Agreement
PDC	Planning and Design Consultant
RFP	Request for Proposals
RFQ	Request for Qualifications
TA	Technical Advisor

Delivery Model Definitions

Note: The progressive procurement strategy may be compatible with various contract forms and pricing approaches. Where applicable, notations have been made to indicate:

1. whether the contract form is being procured in a progressive fashion involving a development phase prior to construction and/or
2. whether the contract for construction is intended shall be bid a target-price basis.

BF	Build Finance
DB	Design Build
DBB	Design Bid Build
DBF	Design Build Finance
DBFM	Design Build Finance Maintain
CMGC	Construction Manager General Contractor

Estimated Design & Construction Cost

Note: The range values shown are inclusive of the **estimated design and construction values within approved project budgets only**.

The range values shown **exclude the following**:

1. other contract costs such as financing and long-term maintenance costs; and
2. costs to be paid by the Contracting Authority outside of the construction contract such as land, equipment, third party advisors, and contingencies.



The Infrastructure Ontario market update is issued throughout the year as part of the Ministry of Infrastructure's transparent engagement with the market with respect to the Government's pipeline of major projects.

For more information



infrastructureontario.ca



contact.us@infrastructureontario.ca



twitter.com/infraontario



[instagram.com/infraontario](https://www.instagram.com/infraontario)