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**HIGHWAY 427 ARTERIAL ROAD EXTENSION FROM
HIGHWAY 7 TO ZENWAY BOULEVARD
CITY OF VAUGHAN**

The Transportation and Works Committee recommends:

- 1. The recommendations contained in the following report, March 28, 2006, from the Commissioner of Transportation and Works and the Commissioner of Planning and Development Services be adopted, subject to adding Recommendation 8 as follows:**
 - 8. Staff be requested to provide a status report in June, 2006 providing details of ongoing negotiations with the Ministry of Transportation and the Region of Peel regarding this project.**

1. RECOMMENDATIONS

It is recommended that:

1. Council endorse the principles of the draft implementation strategy and cost sharing formula as described in this report.
2. The Ministry of Transportation be requested to contribute to the cost of this project in accordance with the cost sharing proposal identified in this report and that the Regional Chair facilitate an agreement through direct discussion with the Minister.
3. The Region of Peel and City of Vaughan be requested to confirm their intent to participate and cost share in this project.
4. Realty Services be authorized to proceed with negotiations for the property acquisition for the Highway 427 Arterial Road Extension north of Highway 7.
5. The Ministry of Transportation be requested to transfer a portion of lands north of Highway 7, currently owned by the Province, to the Region on a temporary basis for the purpose of constructing and operating the interim Highway 427 Arterial Road Extension.
6. Staff report back with details of a final implementation agreement and cost sharing prior to tendering the proposed roadwork.
7. The Regional Clerk forward copies of this report to the Ministry of Transportation and the Clerks of the City of Vaughan and Region of Peel.

2. PURPOSE

The purpose of this report is to update Committee and Council on the progress regarding the planned road link between the existing Highway 427 terminus at Highway 7 northerly to connect to the collector road network within the emerging employment area bounded by Highway 7, Langstaff Road, Highway 50 and Highway 27.

This report also presents details of a draft implementation strategy and cost sharing formula. Staff are seeking Council endorsement of this agreement framework in order to facilitate final negotiations with the Ministry of Transportation (MTO), Peel Region, City of Vaughan and affected landowners.

(The general project area is shown on Attachment 1)

3. BACKGROUND

3.1 Previous York-Peel Boundary Transportation Study

In January 2001, The Regional Municipality of York together with The Regional Municipality of Peel initiated a Boundary Area Transportation study (BAT Study) to address needs and opportunities in the rapidly growing area bounded by Steeles Avenue to the south, Mayfield Road / Nashville Road to the north, Airport Road to the west and Highway 27 to the east.

The BAT study identified a long-term (2031) transportation plan as well as short-term road improvements needed to address the growing transportation demand in the study area. The long-term plan has been valuable input into the 10 Year Roads Construction Program and will also provide input into the upcoming Transportation Master Plan update.

The BAT study short-term road network was developed to address interim traffic demand prior to the ultimate extension of Highway 427 by the MTO. The key improvements included a proposed four-lane east-west collector road (Zenway Boulevard) north of Highway 7, connecting Highway 50 to Highway 27, and a proposed four-lane north-south arterial road from the existing terminus of Highway 427 to Zenway Blvd.

The BAT study was completed and approved in 2003 (including a Class EA for the short-term road network improvements).

These improvements, once implemented, will provide immediate relief to the traffic congestion at the intersection of Highway 50 and Highway 7 (there are currently in excess of 1350 southbound left turns with a significant percentage of heavy trucks in the a.m. peak hour, exceeding the capacity of this intersection by a wide margin) as well as provide relief to the extended p.m. peak period congestion on northbound Highway 427

at the interchange with Highway 7 (the existing Highway 427 terminus). The road improvements will also provide the transportation capacity required for planned employment land development in the Huntington Business Park and the Vaughan West Business Park (see *Attachment 1*).

3.2 Existing Network

Highway 427 currently terminates at the partial interchange with Highway 7. In conjunction with development approvals in the area, the City of Vaughan has been ensuring that the Highway 427 corridor north of Highway 7 remains free of development until MTO completes the individual environmental assessment (IEA) to define the alignment for the ultimate highway extension. This “temporary” situation has been in place since the late 1980s. Since that time, employment development has grown significantly in the vicinity of this highway terminus. Between 1986 and 2004, this growth has resulted in over 8,000 new jobs in this area. This strong economic activity continues to today and is driving the need for the extension of Highway 427.

The terms of reference for the Highway 427 Extension IEA were approved by the Ministry of the Environment on November 1, 2005 and MTO is currently proceeding with the consultant selection process to carry out the EA. The EA is not likely to be completed and approved until the second half of 2008 at the earliest.

To the east of the Highway 427 corridor, Zenway Boulevard has already been constructed as a 4-lane industrial collector road from Highway 27 to Rainbow Creek Drive in conjunction with development in the Vaughan West Business Park. To the west, existing Fogal Road from Highway 50 to Huntington Road is currently a 2-lane road. The extension of Zenway Boulevard westerly from Rainbow Creek Drive to link to Fogal Road is planned to be constructed in 2006 as part of the area land development.

3.3 Overall Scope of Planned Road Improvements

The scope of the consulting assignment being jointly undertaken by York and Peel includes the detailed design and contract preparation for the Highway 427 Arterial Road Extension from the existing terminus at Highway 7 to Zenway Boulevard. The Highway 427 Arterial Road Extension will be an interim road facility until Highway 427 is ultimately extended by MTO.

The intersection between the Highway 427 Arterial Road Extension and Zenway Blvd. will be a typical at-grade signalized intersection. Once the ultimate Highway 427 extension is constructed, the at-grade intersection will be closed and Highway 427 will be grade separated at Zenway Boulevard. Due to the close proximity of the Highway 7 interchange, there will be no opportunity for a future interchange at Zenway Boulevard and there will be no direct access onto Highway 427 at this location (Langstaff Road would be the next interchange opportunity north of Highway 7).

The two southbound lanes of the Highway 427 Arterial Road Extension will connect to the existing freeway facility directly under the Highway 7 overpass structure.

Construction of the two northbound lanes will start approximately 500 metres south of Highway 7, at the point where the existing freeway lanes terminate and all traffic is currently directed onto the northbound off ramp to Highway 7. The existing Hwy 7 structure over Hwy 427 will not require any modifications for the planned arterial road extension.

Work on Highway 427 associated with the Arterial Road Extension will also extend further south to just north of Highway 407. The work in this area will consist of advance signage and freeway to arterial transition speed reduction measures. Consultation is ongoing with 407 ETR and the need for encroachment permits or a separate legal agreement with 407ETR will be confirmed.

The project scope also includes close coordination with the detailed design of the Zenway Blvd. extension across the Highway 427 corridor to link to existing Fogal Road. The roadwork on Zenway Blvd. is planned to be constructed as part of the collector road network for the area land development. This E-W link across the Highway 427 corridor connects the Huntington Business Park and the Vaughan West Business Park and will be a permanent local collector road with utilities and underground services for the area development. This work is being designed to protect for and minimize impacts on the future construction of the ultimate Highway 427.

Existing Fogal Road from Highway 50 to Huntington Road is currently a 2-lane road. This section of Fogal Road will have to be upgraded to a 4-lane cross section to match the remainder of the planned E-W road link from Highway 50 to Highway 27 and to accommodate the traffic volume increase on this road that will be generated by the Highway 427 Arterial Road Extension.

Improvements at the intersection of Fogal Road and Highway 50 will also be required, including installation of traffic signals and potential for a southbound double left-turn lane. Highway 50 is planned to be widened to a 6-lane cross section from Highway 7 to Rutherford Road (scheduled as a 2007 project). Intersection improvements at Fogal Road will be coordinated with the Highway 50 widening.

3.4 Project Team and Stakeholders

As noted previously, York Region and Peel Region are co-proponents for the detailed design assignment for the Highway 427 Arterial Road Extension and are cost sharing the design equally.

In addition to Peel Region, key external stakeholders also include the City of Vaughan, MTO and area developers. All have an important role to play in the implementation of the planned road improvements and all will benefit from improved traffic operations in the area. The key external stakeholders have been involved throughout the detailed design phase of this project and discussions regarding cost sharing and an implementation strategy are ongoing.

Other stakeholders that have been involved in the project include 407ETR, Toronto Region Conservation Authority and affected utility companies.

4. ANALYSIS AND OPTIONS

The principles set out in Sections 4.1 and 4.2 are based on the expected benefits to the respective parties as a result of the arterial extension. As noted earlier, MTO will benefit from the relief that will be provided to traffic congestion at the Highway 7 interchange by allowing traffic to continue north to Zenway Blvd./Fogal Road. Peel and York Regions will benefit from the congestion relief at the Highway 50/Highway 7 intersection and reduced traffic volumes on Highway 7. The developers and the City of Vaughan will benefit from the completion of a key collector road and a direct access to Highway 427 from the lands in the area.

(Attachment 2 shows the sections of road work proposed while Attachment 3 summarizes the proposed implementation and cost sharing strategy.)

4.1 Principles for Cost-Sharing the Highway 427 Arterial Extension

The following is a brief description of some of the key elements that will form part of the final implementation and cost sharing formula for the Highway 427 Arterial Road Extension to Zenway Boulevard:

- The cost share proposal identifies the cost of all roadwork on the Highway 427 R.O.W. south of Highway 7 as being an MTO responsibility (*see work area A, Attachment 2*). The exception to this is for the cost of overhead signs to identify the new road link to Zenway Boulevard, which is proposed to be cost shared between MTO – 50%, York Region – 25% and Peel Region – 25% (*see work area A1, Attachment 3*). The work on Highway 427 south of Highway 7 will be constructed to maximize its future salvage value when Highway 427 is ultimately extended. All work south of Highway 7 will remain within MTO jurisdiction and will be maintained and operated by MTO.
- The cost of the Highway 427 Arterial Road Extension from Highway 7 north to Zenway Boulevard is proposed to be shared equally between York and Peel Regions. The road will be constructed under a York Region tender and remain under York Region jurisdiction once open. Maintenance and operation of the road is proposed to be cost shared equally between York and Peel (*see work area B, Attachment 3*).
- The Highway 427 Arterial Road Extension from Highway 7 north to Zenway Boulevard is an interim road facility and falls within the R.O.W. being protected for the ultimate Highway 427 extension. Once Highway 427 is ultimately extended, it is proposed that the interim road facility be decommissioned by MTO.
- The cost of the intersection work (turning lanes and signals) to connect the Highway 427 Arterial Road Extension to Zenway Boulevard is proposed to be

shared equally between York and Peel Regions (*see work area C, Attachment 3*). Depending on timing, the intersection work may either be constructed by the area developers as part of the Zenway Boulevard extension, or may be constructed under York's tender for the Highway 427 Arterial Road Extension. The intersection R.O.W. will remain under City of Vaughan jurisdiction since this east-west road is planned as a permanent local collector. York Region will maintain jurisdiction over the intersection operation. It is proposed that the intersection be decommissioned by MTO as part of the overall decommissioning of the interim north-south road once Highway 427 is ultimately extended.

- A formal legal agreement will be required with MTO to connect the interim arterial road to the existing provincial freeway facility and will address issues of cost sharing, contract administration, permit approvals, liability, warranty, ongoing operations, maintenance etc.
- Agreement with MTO will also include transfer of some land currently owned by MTO north of Highway 7 but not part of the existing highway right-of-way. This land is required for the Highway 427 Arterial Road Extension and is proposed to be transferred to the Region, free of cost. Once the ultimate Highway 427 is constructed and the interim arterial road is closed, the land will be transferred back to MTO, again, free of cost, to form part of the ultimate highway corridor.
- Land acquisition north of Highway 7 from two private landowners will be required for the construction of the interim Highway 427 Arterial Road Extension. As this land will ultimately form part of the Highway 427 freeway corridor, the Region will include a condition in the legal agreement with MTO to recover our land costs. The two private landowners are actively developing their lands and have been included in stakeholder consultations for this project.
- The alignment of the Highway 427 Arterial Road Extension has been designed so as not to complicate or predetermine the outcome of the provincial IEA for the ultimate Highway 427 extension. The alignment is within the ultimate 170 metre protected highway corridor and thereby limits any impact to adjacent development blocks. The alignment runs parallel along the west limit of the protected corridor to provide flexibility to MTO in defining an ultimate highway alignment and profile. Additionally, it will facilitate construction of the future freeway while maintaining traffic on the parallel interim arterial road extension.

4.2 Principles for Completing the East-West Link

The following is a brief description of some of the key elements that will form part of the final implementation and cost sharing formula for the Zenway Blvd. extension to Highway 50:

- Completion of the east-west Fogal Road / Zenway Blvd. connection from Highway 50 to Highway 27 is being designed and is planned to be constructed as part of area land development by the end of summer 2006.
- The Zenway Blvd. extension across the Highway 427 corridor (*see work area D, Attachment 3*) is proposed as a permanent east-west local collector road and will

have temporary access to Highway 427 via an at-grade signalized intersection with the interim Highway 427 Arterial Road Extension. When Highway 427 is ultimately extended, it will be grade separated at Zenway Blvd. and the temporary intersection will be closed. Due to the close proximity to the Highway 7 interchange, a future interchange at Zenway Boulevard is not possible. The cost to construct this section of Zenway Boulevard is proposed to be the responsibility of the City of Vaughan (*with the exception of the intersection work described previously as work area C, Attachment 3*).

- The vertical profile of Zenway Blvd. is being developed to minimize traffic disruption and eliminate the need for any reconstruction when a grade separated Highway 427 is ultimately constructed. The vertical profile is being depressed to facilitate the ultimate Hwy 427 to go over Zenway Blvd. (less expensive structure, easily expandable as the highway widens and minimizes disruption to traffic during the future Highway 427 construction).
- Key stakeholders are working together to protect for the alternative where Highway 427 goes under Zenway Boulevard (should this be determined through the Highway 427 EA as the preferred solution). This would involve a more costly overpass structure and extensive traffic detour and staging work during the ultimate Highway 427 construction.
- The Zenway Blvd. extension within the Huntington Business Park development area (*see work area E, Attachment 2*) is also planned as a permanent east-west local collector road and will be constructed by the area developers as part of the block plan road network.
- As noted previously, existing Fogal Road from Highway 50 to Huntington Road is currently a 2-lane road (*see work area F, Attachment 2*). Upgrading this section of Fogal Road to a 4-lane cross section to match the remainder of the planned Zenway Boulevard extension is not part of the block plan road network for the Huntington Business Park and has not been budgeted by the City of Vaughan. Since upgrading this link will service both the development area and the Highway 427 Arterial Road Extension, it is proposed to be cost shared equally between York, Peel, Vaughan and the area developers (25% each).

4.3 Agreement With MTO

MTO staff have been involved in this project since its inception and have identified agreement in principle for the interim Highway 427 Arterial Road Extension. This report proposes a set of cost-sharing principles for an agreement with MTO.

As noted in Section 4.1, MTO is being requested to pay for all roadwork on Highway 427 south of Highway 7 (*work area A, Attachment 2*). This roadwork is within the MTO right-of-way, is being designed to MTO standards and is planned in the location of the ultimate Highway 427 extension so that most of the roadwork will be salvageable.

In addition, MTO will benefit from the interim Highway 427 Arterial Road Extension with reduced p.m. period congestion on the northbound off ramp at Highway 7. This

existing peak period congestion at the Highway 427 terminus typically extends beyond 1km south of Highway 7 and will be significantly improved with implementation of this project.

5. FINANCIAL IMPLICATIONS

The detailed design assignment for the Highway 427 Arterial Road Extension is currently underway and is being cost-shared equally between York Region and Peel Region. There are sufficient funds identified in the York Region 2006 roads capital budget to cover related 2006 design and construction costs as described in this report and summarized on *Attachment 2*.

Based on the proposed cost sharing formula summarized on *Attachment 2*, the following would represent the overall cost commitment from each stakeholder for construction of both the Highway 427 Arterial Road Extension and the east-west Zenway Boulevard extension (excludes property costs):

York Region	\$1,012,500
Peel Region	\$1,012,500
MTO	\$705,000
Vaughan	\$910,000
Area Developers	\$880,000

As noted in Section 4.1, land acquisition from two private landowners will be required for the construction of the Highway 427 Arterial Road Extension. As this land will ultimately form part of the Highway 427 freeway corridor, the Region will include a condition in the legal agreement with MTO to recover our land costs.

Details of a final implementation and cost sharing agreement will be presented to Committee and Council for approval as soon as the principles for an agreement are reached.

6. LOCAL MUNICIPAL IMPACT

City of Vaughan Staff have been involved throughout the original BAT study and the ongoing detailed design and implementation planning phase. City staff have also assisted in discussions with affected landowners to coordinate implementation of the collector road network in the emerging employment area north of Highway 7.

The road network being planned will improve traffic operations in the York / Peel boundary area and will provide the capacity needed to accommodate the planned development in and around the study area in the interim period, prior to the ultimate Highway 427 extension by MTO.

As one of the key stakeholders that will benefit from the planned roadwork, cost contribution from the City of Vaughan will form part of the final stakeholder agreement for implementation of the overall road network improvements.

7. CONCLUSION

The detailed design and contract preparation for the Highway 427 Arterial Road Extension to Fogal Road / Zenway Blvd. is proceeding and scheduled to be complete by June 2006. The earliest possible tender for this roadwork is early fall of 2006, subject to final stakeholder agreements. If there is any delay in finalizing property acquisition, legal agreements and cost sharing, the project would likely proceed to construction in early 2007.

Discussion between York Region, Peel Region, MTO, City of Vaughan and directly affected developers on an implementation plan and cost-share formula is ongoing. Details of a final agreement will be reported to Committee and Council as soon as principles for an agreement are reached.

The Province will benefit from the project and are being asked to cost share, but have not agreed to do so at this time.

A formal legal agreement with MTO will be required for the planned arterial road connection to Highway 427 and is currently in development.

Completion of the east-west Fogal Road / Zenway Blvd. connection from Highway 50 to Highway 27 is being designed and is planned to be constructed as part of area land development by the end of summer 2006. Staff are working closely with the City of Vaughan and area developers to ensure coordinated implementation of the planned road network.

The Senior Management Group has reviewed this report.

(The attachments referred to in this clause are attached to this report.)

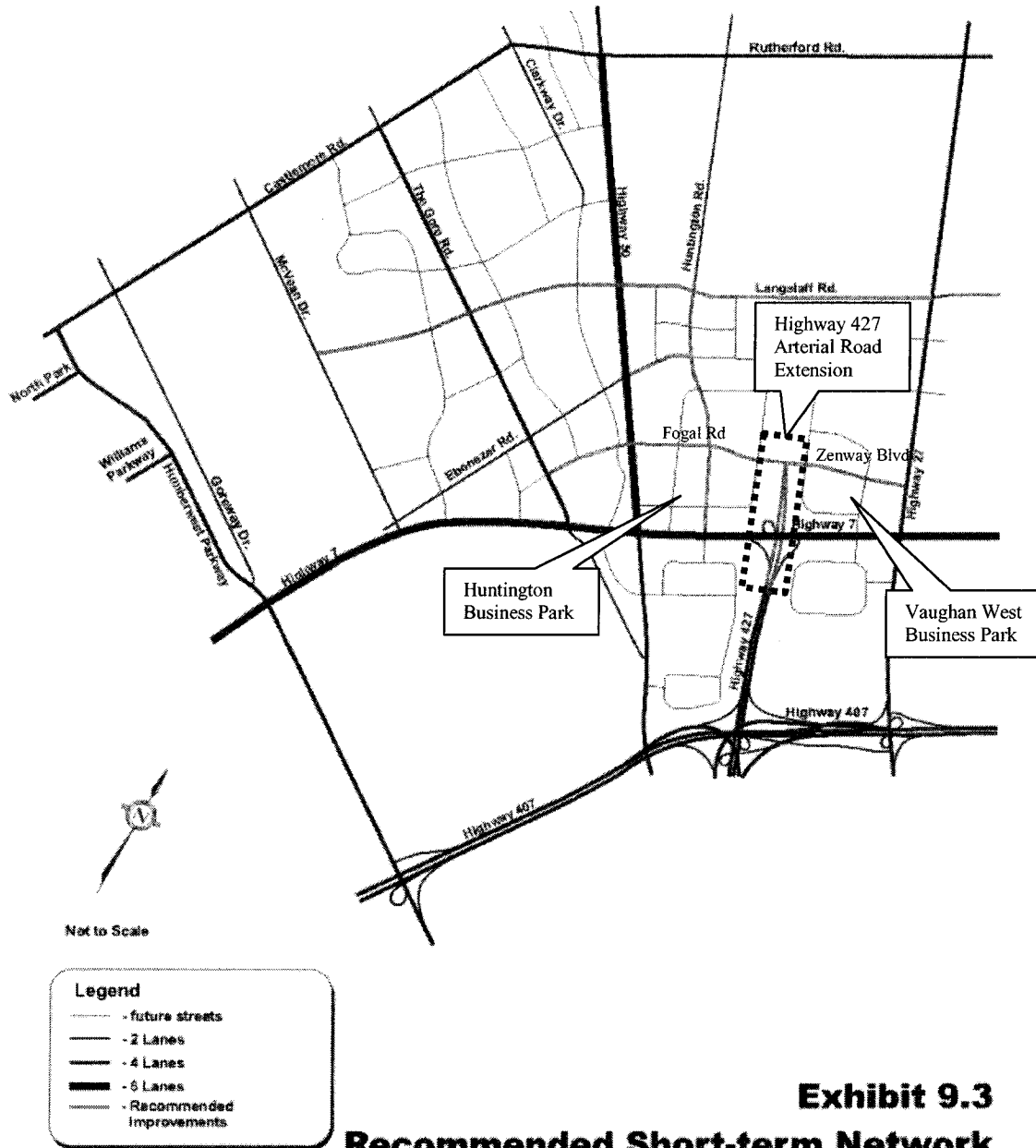
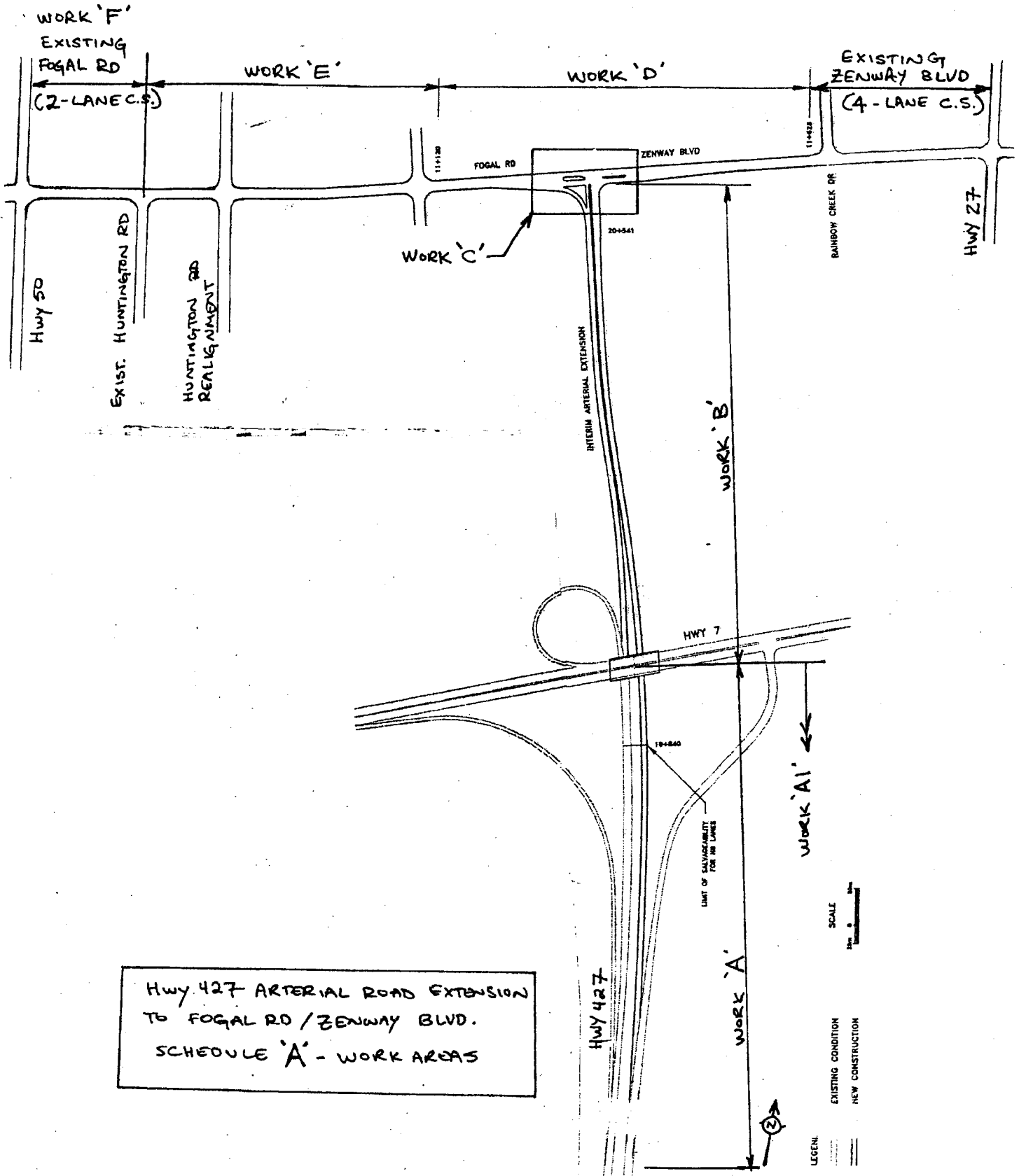


Exhibit 9.3
Recommended Short-term Network

April 2002

ITRANS



Hwy 427 ARTERIAL ROAD EXTENSION
TO FOGAL RD / ZENWAY BLVD.
SCHEDULE 'A' - WORK AREAS

**HWY 427 ARTERIAL ROAD EXTENSION TO ZENWAY BLVD.
IMPLEMENTATION STRATEGY AND COST SHARING FORMULA**

WORK AREA	DESCRIPTION	EST. CONST. COST (\$)	CONSTRUCTION COST CONTRIBUTION (%)	PROPERTY REQUIRED	PROPERTY ACQUISITION	CONST. TENDER	MAINTENANCE AND OPERATION	Legal Jurisdiction
A	Hwy 427 extension (2 NB lanes) to Hwy 7	680,000	MTO 100%	No		York	MTO 100%	MTO
A1	Signage S of Hwy 7 for Hwy 427 Arterial Road Ext.	50,000	MTO 50% York 25% Peel 25%	No		York	MTO 100%	MTO
B	Hwy 427 Arterial Road Extension (4-lane C.S.) from Hwy 7 to Zenway Blvd.	1,500,000	York 50% Peel 50%	1.6 ha from MTO 1.4 ha from Area Developers	Transfer free York Acquisition	York	York 50% Peel 50%	York
C	Intersection work (signals and turn lanes) on Zenway Blvd.	300,000	York 50% Peel 50%	.2 ha from Area Developers	York Acquisition	York and Area Developers	York 50% Peel 50%	York
D	Zenway Blvd from east of street '1' to west of Rainbow Creek.	810,000	Vaughan 100%	1.2 ha from Area Developers	R.O.W. dedication through plan of subdivision	Area Developers	Vaughan 100%	Vaughan
E	Zenway Blvd from centreline of existing Huntington Rd to east of street '1'	780,000	Area Developers 100%	N/A	R.O.W. dedication through plan of subdivision	Area Developers	Vaughan 100%	Vaughan
F	Existing 2-lane Fogal Rd to be upgraded to 4-lane C.S. from Hwy 50 to Huntington Road.	400,000	York 25% Peel 25% Vaughan 25% Developers 25%	No		Area Developers	Vaughan 100%	Vaughan