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PROVINCIAL INFRASTRUCTURE REQUIRED TO IMPLEMENT THE "PLACES TO GROW" PLAN IN YORK REGION

The Planning and Economic Development Committee recommends the following:

1. A letter of acknowledgement and thanks be sent to the Federal and Provincial Governments for the rapid transit and highway funding announcement made on March 6, 2007 and to request the Provincial Government to continue with the additional infrastructure funding commitments identified in the recommendations contained in the following report dated February 23, 2007, from the Commissioner of Planning and Development Services.

2. The recommendations contained in the following report dated February 23, 2007, from the Commissioner of Planning and Development Services, be adopted:

1. RECOMMENDATIONS

It is recommended that:

1. As a statement of their commitment to Places to Grow and the Growth Plan for the Greater Golden Horseshoe, the Province be requested to immediately commit to funding arrangements for the following critical road and transit infrastructure projects in York Region:
   - A rapid transit system in all four York Region corridors.
   - Full funding of GO Transit's expansion plan.
   - Highway 404, 427 and Bradford Bypass expansions.
   - New interchanges (12 new or modified interchanges) and widening of 400-series highways.
   - HOV lanes on 400-series highways.
   - Support and funding for transportation demand management and commuter parking lots.
   - Cross-boundary and boundary road improvements.

2. Council request the Province to expedite environmental assessment approvals of water and wastewater projects that are needed to meet Provincial growth projections.

3. Council consider the required Provincial infrastructure when evaluating forecast options to implement Places to Grow and the Growth Plan for the Greater Golden Horseshoe as it applies to York Region if *Recommendation 1* is not realised in 2007.

4. The Regional Clerk forward a copy of this report to the Provincial Ministers of Public Infrastructure Renewal, Transportation, Municipal Affairs & Housing and Environment, and to the local municipalities.

2. PURPOSE

The purpose of this report is to update Council on the status of Provincially significant infrastructure reported in April 2005 that covers water, wastewater, roads, and transit that York Region requires over the next 30 years in order to accommodate Provincial growth forecasts.

3. BACKGROUND

3.1 Background Summary

The Regional Official Plan currently projects that by 2026 the Region will grow to 1.28 million people. The Provincial Growth Plan for the Greater Golden Horseshoe calls for the Region to further grow to 1.5 million people by the year 2031. The additional growth being imposed on York Region through Places to Grow means that the need for transportation and municipal infrastructure has further increased.

On the basis of this increasing need, on April 21, 2005, Council endorsed Clause 2 of Report No. 4 of the Planning and Economic Development Committee that recommended:

1. The Regional Chair on behalf of Regional Council inform the Province of Ontario of the concern regarding the disconnect between the recent Provincial Policy Plans including the Greenbelt Plan and the Draft Provincial Growth Plan and the lack of Provincial commitment to long term infrastructure plans and funding.

2. Within the next 6 months, the Province of Ontario produce 30-year Transportation Master Plans and 10-year capital plans to complement the Growth Plan for the Greater Golden Horseshoe and that the following services/infrastructure be covered; Provincial highways, local and rapid transit funding, cross-boundary and boundary road funding, hospital and related human services funding, GO Transit and natural heritage implementation funding.

3. The Province of Ontario approve Municipal Transportation Master Plans and commit to Provincial infrastructure and funding identified therein in conjunction with land use plan approvals.

4. As part of the Provincial commitment to infrastructure, the Province immediately commit to funding arrangements for the following critical road and transit infrastructure projects in York Region:

- A Rapid Transit System in all four York Region Corridors.
- Full funding of GO Transit Expansion Plan.
- Highway 404, 427 and Bradford Bypass expansions.
- New interchanges (12 new or modified interchanges) and widening for 400 series highway.
- HOV lanes on 400 series highways.
- Support and funding for Travel Demand Management and commuter parking lots.
- Cross-boundary and boundary road improvements.

York Region has prepared a series of Master Plans that identify the transportation, sewer and water systems needed to support the growth in the Regional Official Plan. These Master Plans are detailed documents that identify specific transit, roads as well as sewer and water treatment and transmission facilities. The specific timing of these facilities is detailed in the Region's 10-year capital plan and longer term Development Charges By-law, which are updated regularly. All of these systems are in keeping with the approved ROP and the previous set of Provincial forecasts. Many of the road and transit requirements outlined in the Transportation Master Plan require significant Provincial funding, whereas the water and sewer requirements outlined in their respective Master Plans require only Provincial environmental approvals since they are funded by the Region's Rate Budget and development charges.

3.2 Transportation Infrastructure

York Region has completed and is in the process of updating the Transportation Master Plan to accommodate growth over the next 30 years prior to the changes from Places to Grow. The critical infrastructure from the Transportation Master Plan are:

- A rapid transit system in all four York Region corridors.
- Full funding of GO Transit's expansion plan.
- Highway 404, 427 and Bradford Bypass expansions
- New interchanges (12 new or modified interchanges) and widening of 400-series highways.
- HOV lanes on 400-series highways.
- Support and funding for transportation demand management and commuter parking lots.
- Cross-boundary and boundary road improvements.

3.3 Water and Wastewater Infrastructure

York Region is conducting a number of environmental assessments to implement new capacity for water and wastewater. Critical projects include:

- York Durham Sewerage System Duffin Creek Water Pollution Control Plant (Phase 3) Expansion.

- York Durham Sewerage System Southeast Collector.
- Queensville/Holland Landing sewer services
- King City Water Supply
- Richmond Hill elevated tank
- Stouffville water supply
- Toronto East water supply.

Delays in getting Provincial EA approvals for these projects would significantly affect the ability to absorb the growth expected to occur in York Region.

3.4 Infrastructure Investment Linked to Economic Growth

Economic growth in York Region cannot continue without Provincial investments in infrastructure. The infrastructure requirements identified in this report are key to continuing and meeting the growth projections identified for York Region by the Province. Several major employment-related development proposals are being delayed pending commitments on Provincial highway projects. For instance, the Vaughan Enterprise Zone is a strategic employment location for the Greater Toronto Area that covers 1,500 hectares. Its development and full potential however is predicated on having the Highway 427 extension implemented. Another example is the approved Keswick Business Park where its development is dependant on a firm completion date for the Highway 404 extension to Ravenshoe Road.

In addition to highway investments, it is a known fact that rapid transit is a requirement for economic growth for municipalities of one million people or more. York Region is at one million people now and is projected to growth to 1.5 million by 2031. Every municipality in Canada that has 1 million or more people has a rapid transit system with the exception of York Region. The development of the four Regional Centres of Markham, Richmond Hill, Vaughan and Newmarket, identified as urban growth centres in Places to Grow, are critically dependant on Provincial approval of our environmental assessments and funding commitment for the four rapid transit corridors.

Delays in Provincial highway and rapid transit investments put unnecessary pressure on the Regional road system, which is not designed to carry longer distance travel. Increasing traffic congestion resulting from the lack of highway investments has contributed significantly to ineffective transit services that are caught in the same traffic congestion. This domino effect in turn leads to a dampening of economic competitiveness of York Region as a desirable business location which then jeopardises York Region’s ability to meet Provincial growth projections.

4. ANALYSIS AND OPTIONS

The following subsections summarise the status of Provincial actions on infrastructure needs in York Region. Specific details on each transportation and water/wastewater projects are provided in *Attachment* 1 and *Attachment 2* respectively.

4.1 Provincial Actions on Transportation

In regards to transportation infrastructure, to accommodate economic growth, York Region mainly requires the Province to fund its share of rapid transit construction and to perform their responsibility of expanding the highway system.

4.1.1 Transit Funding

To their credit, the Province has taken a significant step in committing funding of $670 million for the Spadina subway extension to the Vaughan Corporate Centre (VCC).

However, for this subway extension to be effective, Viva Phase II must also be constructed. The Viva system complements and feeds the subway system at Don Mills, Finch and Downsview (VCC in the future) stations. Other than a minor funding of $7.3 million for preliminary engineering works, the Province has yet to make a serious commitment to the construction of Viva Phase II. The urban structure of York Region rests upon the construction of Viva Phase II. Simply put, growth in York Region is critically dependant on Viva Phase II being completed.

Complementary to Viva Phase II is the need for GO Transit to expand services on the three commuter rail lines in York Region. Other than grade-separating the GO tracks from the CN York line at Snider and Hagerman diamonds, no improvement to actual services have been announced.

4.1.2 Highway Expansion

Since the release of the new Provincial growth plans and policies, the Province has released a five-year highway capital plan, the *Southern Ontario Highways Program 2006-2010*, which was reported to Council in October 2006. As part of the five-year capital plan, the Province has committed to:

- Highway 400 interchange improvements at Teston Road and King Road with target completions of 2007 and 2009 respectively. Note that the Teston Road interchange improvement is a $15 million project being completed by York Region. The Provincial contribution to the project is only $3 million or 20%.

- Highway 400 widening from 6 to 8 lanes from Major Mackenzie Drive to Teston Road with a target start date of 2008 and a target completion date of 2010.
- Highway 404 northbound HOV lane from Sheppard Avenue in Toronto to Beaver Creek in Richmond Hill, which is already underway with a target completion date of 2007.

- Highway 404 extension structures for the Mount Albert Road and Green Lane underpasses, both of which are targeted to be completed in 2007.

- Highway 404 extension from Green Lane to Ravenshoe Road with a target start date of 2008. The completion date of this extension is unknown since the target completion date is given as "beyond 2010".

No firm commitment has been made by the Province on:
- Highway 427 extension.
- Highway 404 extension north of Ravenshoe Road.
- Bradford Bypass.
- HOV lanes on Highways 400, 404 and 427 within urban areas.
- New interchanges or interchange improvements other than at Teston and King Roads.
- Commuter parking lots.
- Funding for boundary and cross-boundary roads.

4.1.3 Transportation Demand Management (TDM)

York Region recognises the importance of TDM as a significant component of the transportation system. TDM has to be a part of York Region's sustainable transportation solution. That is why York Region is the lead partner and the host agency for the Smart Commute Initiative, a joint municipal project of the Regions of York, Durham, Peel, and Halton and the Cities of Toronto, Hamilton and Mississauga to deliver transportation demand management (TDM) programs and services across the GTA+Hamilton region through a two-tier structure consisting of an umbrella group, the Smart Commute Association, and a network of local transportation management associations (TMAs) such as Smart Commute 404-7 (Markham, Richmond Hill), Smart Commute Central York (Newmarket, Aurora) and Smart Commute North Toronto-Vaughan.

Provincial support for Smart Commute has to happen as it will be critical to the success of Provincial initiatives such as the highway HOV network and the Growth Plan for the Greater Golden Horseshoe. Smart Commute is also complementary to the work of the Provincial Ministries of Public Infrastructure Renewal and Long Term Health Promotion.

4.2 Water and Wastewater Infrastructure

In the area of water and wastewater infrastructure, economic growth in York Region is currently constrained by available water and wastewater capacity. As detailed in *Attachment 2*, York Region is working hard to move forward in completing environmental assessments on a number of critical projects. Expedient Provincial approvals of these environmental assessments are needed for York Region to meet Provincial growth projections.

4.3 Relationship to Vision 2026

Vision 2026's goals include managed and balanced growth, infrastructure for a growing region, a vibrant economy, enhanced environment, heritage and culture and responding to the needs of our residents. These goals would be greatly affected if the infrastructure that is needed to support the growth as projected by the Province is not realised in a timely manner.

5. FINANCIAL IMPLICATIONS

Overall, an initial estimate of the transportation and transit investment required to support projected growth in York Region is $10 billion. Of that, the estimate of the Provincial component is $ 6.4 billion. The size of this funding gap gives a measure of the enormity of the problem that York Region faces in addressing growth.

Viva Phase II, as planned, requires substantial funding from the Provincial and Federal levels of government. York Region's share is covered through development charges and tax levy.

GO Transit capital improvement costs are shared by the benefiting municipalities. York Region's share is covered through development charges and tax levy.

The less timely the Province expands the highway system, the more onerous it will be for York Region as it will be pressured to provide additional capacity to accommodate growth. In turn, the financial burden on York Region will also be more onerous.

Additionally development charges recover only a small portion of the impact of growth due to current legislative impediments. These need to be removed in order for York Region to afford its share of these projects.

6. LOCAL MUNICIPAL IMPACT

Anticipated developments across all nine local municipalities are been constrained by the lack of transportation, water and wastewater capacity. Timely resolution of the funding and environmental assessment approvals from the Province on the infrastructure listed in *Attachments 1 and 2* are critical to York Region meeting Provincial growth targets.

7. CONCLUSION

The Growth Plan for the Greater Golden Horseshoe as part of the Province's Places to Grow Act calls for an increase of about 600,000 residents, 350,000 jobs and 225,000 housing units in York Region over the next 25 years. This dramatic increase in growth is predicated on a more intense form of development over current trends.

Primarily because of funding shortfalls and lack action from the Province, infrastructure investment in York Region has been lagging behind development. With the new Provincial growth forecasts for York Region, the urgency for new Provincially-significant infrastructure is now greater than before.

For Places to Grow to be effective in terms of managing growth, the current disconnect between growth forecasts and infrastructure provision must be bridged in a timely manner. At the risk of declining quality of life and not meeting Provincial growth forecasts, the Province is urged to act quickly to support the growth plan.

For more information on this report, please contact Paul May, Director, Infrastructure Planning Branch at 905-830-4444 ext. 5029 or paul.may@york.ca.

The Senior Management Group has reviewed this report.

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