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LANGSTAFF OPERATIONS / MAINTENANCE FACILITY

(Regional Councillor Frustaglio declared a pecuniary interest in this clause due to her son working as a consultant for a landowner who is part of a landowners group for the east side of Langstaff, and did not take part in the discussion or vote on this matter.)

The Rapid Transit Public/Private Partnership Steering Committee recommends the recommendations contained in the following report, May 3, 2007, from the Vice President, York Region Rapid Transit Corporation be replaced with the following recommendations:

- 1. The findings of the report establishing a basis for integrating the Regional Rapid Transit Operations and Maintenance (O&M) facility into a comprehensive mixed use master plan on the West Langstaff lands not be endorsed by Council.**
- 2. The Region inform the Town of Markham that the Region and York Region Rapid Transit Corporation are no longer interested in the West Langstaff lands for the establishment of an O&M facility.**
- 3. Staff be directed to work with the Town of Markham and the Langstaff Landowners to finalize arrangements to acquire the rapid transit ROW through the Langstaff lands as identified in the approved Yonge Street Transitway Environmental Assessment.**
- 4. Staff be authorized to identify lands and/or business opportunities to deliver commuter parking facilities within the south York Region transit gateway area (including east and west of Yonge Street, north and south of Highway 407) in support of the transit network and report back to Council on implementation mechanisms to secure these arrangements.**
- 5. Staff report back to this Committee with recommendations for an alternate site for an O&M facility.**

1. RECOMMENDATIONS

It is recommended that Council:

- 1. Receive the findings of the report establishing a basis for integrating the Regional Rapid Transit Operations and Maintenance (O&M) facility into a comprehensive mixed use master plan on the West Langstaff lands.**

2. Provide direction on next steps for the Langstaff O&M facility based on the work to date.
3. Authorize staff to finalize arrangements to acquire the rapid transit ROW through the Langstaff lands as identified in the approved Yonge Street Transitway Environmental Assessment.
4. Authorize staff to identify lands and/or business opportunities to deliver commuter parking facilities within the south York Region transit gateway area in support of the transit network and report back to Council on implementation mechanisms to secure these arrangements.

2. PURPOSE

The purpose of this report is to present the results of discussions between the York Region Rapid Transit Corporation (YRRTC) and the West Langstaff landowners (Condor) regarding the feasibility of co-developing the West Langstaff lands and integrating the rapid transit O&M facilities into a comprehensive mixed use master plan. The report also provides feedback on an alternative site identified by Condor for an O&M facility and evaluation by the YRRTC team. The report also outlines a range of strategies to secure an alternative O&M facility.

3. BACKGROUND

The EA recommends Langstaff as the preferred location for the O&M facility

The EA process for the four Regional Rapid Transit Corridors identifies the area south of Highway 407, between the CNR and Yonge Street as the preferred location for the required operations and maintenance “hub” of the York Regional Rapid Transit network, including bus rapid transit (BRT) and light rail rapid transit (LRT) vehicles.

The Yonge Street EA was an extensive process, over a 5 year period (2001 – Need and Justification to 2006 - MOE approval), and involved full public consultation with all stakeholders. The EA for the Yonge Street Transitway was approved by the Minister of the Environment on May 12, 2006.

A chronology of the Yonge Street EA public consultation process

The EA considered a range of alternatives to deliver the operations and maintenance facility requirements including contracting out, purchasing and expanding an existing facility, or owning and constructing new facilities. The EA confirmed the Region’s preference for the construction and ownership of a centralized operations and maintenance facility. The confirmation of the direction led to the evaluation of sites that met ownership and centralization criteria. The programme for the O&M facility included:

- Capacity to store and maintain between 250 and 300 conventional buses and BRT rapid transit vehicles, and between 45 and 50 LRT vehicles.
- Service area for fuelling, inspection, interior cleaning, washing and fare recovery.
- Maintenance area including up to 15 repair bays for buses and a specialized, separate maintenance area for LRT vehicles.
- Test track for LRT vehicles.
- Administration office and training centre.
- Dispatching office/control centre.
- Employee parking.

The approved EA, following extensive analysis of alternative properties concluded that Langstaff was the preferred location for the O&M facilities. The Yonge Street EA chronology is attached as *Council Attachment 1*.

Staff has worked with the Langstaff land owners and has consulted with the Town of Markham staff as per Council direction on September 21, 2006 and October 19, 2006. The results of that investigation are the subject of this report.

4. ANALYSIS AND OPTIONS

PART A - INVESTIGATIONS OF THE LANGSTAFF O&M FACILITY

YRRTC forwards design parameters for the O&M facilities

Design parameters for the development of the O&M facility were developed by YRRTC and forwarded to Condor. The design parameters were based on the programme requirements for BRT and LRT technologies as specified in the EA and modified by preliminary design and engineering work undertaken by YRRTC. The parameters also reflected the development principles discussed with the Town of Markham and presented to Committee in September of last year. The parameters are attached as *Council Attachment 2*. As well, YRRTC met with representatives of the East Langstaff landowners at their invitation to get an understanding of the proposed master plan.

YRRTC and the landowners establish a work plan and schedule

In January, YRRTC staff met with the West Langstaff landowners representatives to organize a go-forward work plan and meeting schedule for the parties through January February and March. A chronology of activities during this period, including alternating technical meetings between Condor representatives and the YRRTC team, with principals meeting to review progress and provide direction, is provided on *Council Attachment 3*. Meeting agendas and minutes are available.

Early in the work plan, the parties identified a number of technical items to be addressed during the feasibility analysis as follows;

1. Re-configuring the O&M facilities into the smallest technically workable land area.
2. Identifying traffic and transportation solutions.
3. Identifying the land area that would be required to restore Pomona Creek.

Item 1: Re-configuring the O&M facilities into the smallest technically workable land area

With regard to item number one, Condor expressed the view that the west edge of the Langstaff lands adjacent to Yonge Street provided the best opportunity for commercial development because of its access to the Yonge Corridor and exposure to Highway 407. As well, Condor advised that the 407 exposure would not present a marketing challenge for residential development given that there are a number of high density residential buildings that have been successfully marketed adjacent to 400 series highways. On the basis of these comments, the YRRTC team examined the feasibility of locating the O&M facility on a compressed site in the south east quadrant of the property between the Creek and the CN rail line and abutting the cemetery boundary.

A revised layout for the facilities on a reduced footprint is developed

At the final meeting of the parties, YRRTC presented a revised master plan layout for an integrated O&M facility on a compressed footprint. The gross land area included lands within the Pomona Creek restoration area to the centre line of the creek and land south of the centre line of a proposed central collector road joining Yonge Street through to Bayview Avenue. The gross area totalled approximately 17 acres. The road right-of-way (ROW) and Creek restoration and storm water management facility area was assumed to be conveyed to the Town and Toronto Region Conservation Authority (TRCA) as part of the re-development process.

The minimum land required for the O&M facility was based on the smallest technically sound LRT track O&M layout. The net site area for the O&M facility itself is approximately 15 acres. The site layout has been developed on the following principles:

- Initial development of full BRT O&M capacity to store and maintain 250 vehicles.
- An initial investment in below grade structure for a portion of the BRT facility.
- Placement of the BRT facilities to permit a later conversion of a portion of the BRT facilities and placement of LRT maintenance and storage facilities for approximately 45 vehicles.
- A gap between the LRT track layout and the proposed road ROW to permit the placement of office or residential cores and to facilitate pedestrian access points.
- Integration of commercial transit oriented development (TOD) or residential buildings with the initial development of the O&M facilities.

A proposed integrated O&M/TOD plan is shown on *Council Attachment 4*.

Developing the O&M facilities on a smaller footprint is financially feasible

The re-ordering of the O&M facilities on a smaller footprint requires some vertical stacking of facilities and a phasing strategy that will permit the LRT facilities to be brought on stream while maintaining BRT on site support operations on site. The financial premium associated with delivering the O&M facilities would be offset by the requirement for less land and by the values created on site for commercial and/or residential development. In addition, the topography of the site offers opportunities to address some of the challenges of below grade construction. The development related costs associated with accessing and servicing the O&M facilities and incorporating mixed use development on the O&M site will also be subject to cost sharing amongst the various landowners as part of the Town of Markham's normal land development requirements. Development costs have been factored in to the anticipated value for the development rights created on the site.

YRRTC's findings with regard to item number one can be summarized as follows:

1. The O&M facilities can be delivered technically on a compressed footprint of approximately 15 acres.
2. The strategic placement of the BRT facilities can accommodate the placement of LRT facilities without undue disruption to BRT operations during the construction period.
3. Initial BRT facilities can be converted to future LRT use without substantial throw away costs.
4. The O&M layout can accommodate the placement of commercial or residential buildings along the north face of the O&M facilities to screen adjacent development from direct overview impacts.
5. Commercial development can be developed with the initial phase of the O&M facility.
6. Investment in structured O&M facilities can be offset by the savings in land costs for the acquisition of a portion of the balance of the lands not required for the O&M facility (17 vs 37 acres), the pro rata reduction in Creek restoration costs and by realizing value from development rights generated on the O&M site.
7. The compressed site for the O&M facility and LRT yard layout can be accommodated within a regular development street and block pattern and integrated into a comprehensive master plan for the West Langstaff area.
8. The collector road and local street and block plan can be integrated with an East Langstaff master plan.
9. The rapid transit alignment through the West Langstaff area can be positioned to provide optimum support for the densities developed within the precinct.
10. The CN Bala Subdivision is an important rail freight corridor and it is anticipated that this role will continue into the foreseeable future with an inherent increase in rail freight traffic.

Item 2: Identifying traffic and transportation solutions

YRRTC presented the preliminary findings of the traffic analysis undertaken by the YRRTC team and discussed various modal split assumptions that could be achieved

for the West Langstaff lands to support development. Condor advised that it had undertaken a modal split analysis and was preparing a preliminary traffic impact report to be submitted to the Town for review and comment in support of their Official Plan amendment.

Item 3: Identifying the land area that would be required to restore Pomona Creek

The YRRTC team also presented its preliminary findings regarding the restoration of Pomona Creek. YRRTC findings were based on discussions with the TRCA and a review of the most recent flood plain mapping. As well, the YRRTC team walked the site with TRCA staff to get a better understanding of TRCA's criteria for defining the limit of development. The findings were mapped for discussion. Further work by YRRTC relied on the preliminary TRCA definition to determine a land area for the development of the O&M facilities.

PART B - ALTERNATIVE SITE INVESTIGATIONS

The Town of Markham requests consideration of alternate sites

In February 2007, the Langstaff landowners presented their more recent development plans to the Committee of Development Services in concert with an update by the Town's consultant into Secondary Plan review for the Langstaff lands. The revised plans reflected a reorganization of the West Langstaff lands to a more regular road and block pattern, as well as a configuration to better coordinate the plan relationship between the east and west sides of the CN rail. Following the presentations, Markham Council passed a resolution at its meeting of February 27, 2007 requesting the Region to consider other options for the location of the O&M facility.

The landowners table an alternative O&M site

During the course of the feasibility analysis, Condor tabled an alternative site for the O&M facilities on the east side of Yonge Street for YRRTC review and comment. Condor consultants had prepared a preliminary layout for an LRT facility located within the Hydro corridor backing onto the low rise residential community west of Yonge Street in the City of Vaughan. The layout had not contemplated the development of a combined BRT facility. The site was evaluated by the YRRTC team and determined to not be suitable.

The current O&M facilities will be adequate only to 2010

Currently, the O&M facilities supporting Viva Phase 1 are provided through an Operations and Maintenance Agreement with a private supplier, Veolia, on private land holdings on Caldari Road in the Town of Vaughan and on public lands owned by York Region in The Town of Newmarket and East Gwillimbury.

The Caldari facilities will meet transit operations needs for the current rate of system growth through 2010. If an alternative O&M facility to the Caldari facility is not

available at the end of the current five year contract, service capacity and the continued growth of the system will face a number of financial and operational challenges.

The following sections identify alternative strategies to address the challenges and discuss the scope and extent of the impacts that the Region will need to consider in determining a go-forward strategy.

The Region may need to identify alternative arrangements to locate the Langstaff O&M facility

Should a joint development programme with West Langstaff landowners not be possible, the Region would have to move forward to either acquire the Langstaff property through expropriation or locate the O&M facility in an alternative location. The following five alternatives could be considered.

1. Finding alternative site and secure an EA addendum or approval.

The Langstaff location was identified through a lengthy EA process. Over the past year, YRRTC has re-examined the sites considered during the EA process and has confirmed that the sites are either no longer available through subsequent development or cannot meet the programme requirements. Considering other sites within the EA study area, or outside of it, will require an amendment to the approved Yonge Transitway EA.

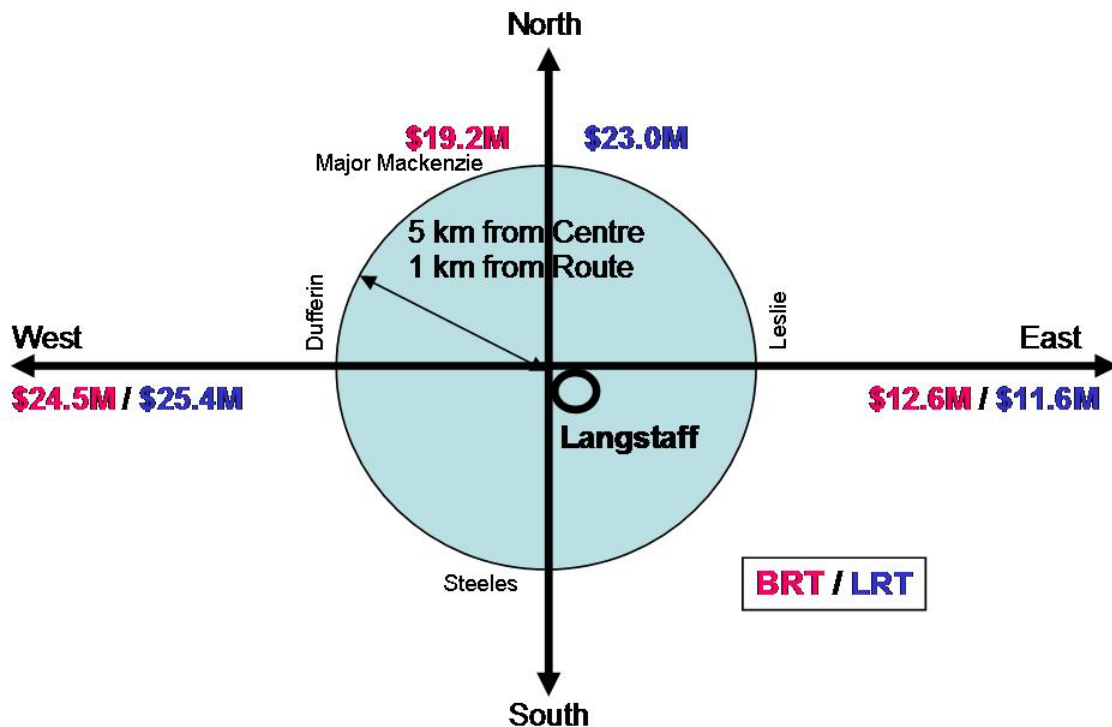
2. The economic feasibility of a joint LRT/BRT centralized O&M facility would have to be examined

The criteria used to identify a preferred site for the O&M facilities in the approved EA was based in part on the Region's preference for ownership of a centralized O&M facility that supported both BRT and LRT facilities. If the Region revisited this strategy and determined that decentralization was possible, the requirement for a centralized combined facility could be modified and the Region could seek BRT facilities independent from LRT. The delivery of the BRT facilities has greater flexibility with respect to delivery models and can respond to more flexible locational criteria. LRT O&M facilities are governed by a more rigid yard layout and minimum site area requirement. The locational criteria demands a more immediate relationship/distance from the rapid transit corridor. Sites meeting this requirement are more difficult to identify and secure in the marketplace.

LRT facilities are more sensitive to locational criteria, since connecting the O&M facilities to the LRT revenue producing rapidways is both costly to build and operate the further apart they are. BRT O&M requirements can be more readily addressed independently from LRT. Identifying a site for LRT facilities remains a challenge; however, the need for the LRT O&M facilities is longer term and will likely be required no earlier than 2021. The Region should consider taking the risk of purchasing land in advance of an EA in order to avoid the potential down stream risks of influencing land values or competing with development interests for a facility site.

Figure 1 illustrates the results of an analysis of the incremental deadheading costs above the Langstaff base associated with locating the O&M facility to an alternative site within a 5 km. radius of the preferred Langstaff location. The net present value of the increased cost over a 20 year period was determined to range from \$12.6 to \$24.5 million for BRT to \$11.6 to \$25.4 million for LRT.

Figure 1
Incremental Deadheading Costs



3. Determine if the current arrangements with the existing service provider could be continued for some further period of time.

The Region could approach the current operator, Veolia, to find additional capacity on adjacent lands in the Caldari vicinity or at an alternative location of their choosing to meet the operational needs of the growth in the system for some further period of time. The current contract contemplates a 5 year extension to the agreement at the Region's determination.

Adding capacity in the Caldari area will further add to the annual deadheading costs associated with transferring vehicles to and from the Vaughan facility over the Langstaff site. However, the additional deadheading costs may also be attributable to other alternative locations.

4. Seek bids for O&M services through an RFP

The Region may pursue a request for proposals (RFP) for O&M services to succeed the initial term of the current O&M Agreement, which would include the provision for the BRT facility. In such an event, the Region will have to incur the costs, resources and investment of time to prepare and conduct an RFP and to negotiate an agreement based on the RFP. Planning for an RFP will have to commence within a time frame that will enable the RFP process to be conducted and completed prior to the required start up time under a new agreement.

5. Seek bids for a Design-Build Operate Maintain - Finance (DBOM-F) concession arrangement with operator/landowners

The Region may pursue a long term concession with operator/landowners to provide operations and maintenance support to the rapid transit system through the concession period with the Region ultimately owning the land and facilities at the end of the concession period. The concession would be subject to an RFP process, generally as indicated above. It would need to be clarified that the Region may ultimately own the facilities without requiring an EA.

PART C - NEXT STEPS IN THE LANGSTAFF AREA

The Region should take the necessary steps to secure the rapid transit ROW through Langstaff

An alignment for the rapid transit line has been identified and approved through the EA process. The approved alignment connects the transit rapidways in the centre of Yonge Street to the Richmond Hill Centre via an alignment that follows the existing Langstaff Road eastward and through the existing 407/Highway 7 underpasses of the Bala CN Subdivision. The underpasses on Yonge Street under the 407/Highway 7 are not wide enough to continue the rapidway north on Yonge to Garden. The existing road allowance will have to be widened by approximately 10 metres to 30 metres to permit the segregated rapidways to be constructed and for the repositioning of the vehicular travel lanes to the south within the new ROW. Arrangements to secure the rapidway should continue regardless.

The Region should identify land or business opportunities to secure commuter parking

Access to commuter parking within the greater South York Region Transit Gateway will be a critical component in assuring the continued growth and long term health of the rapid transit system. The findings of the 2003 Network Configuration analysis recommended the need to identify between 600 and 750 parking spaces in proximity to the Yonge Street rapid transit corridor to keep this segment of the network functioning and healthy through the next decade. Because of its access to Highway 407 and the Regional road network, the major demand for commuter parking facilities will be on lands in proximity to the South York Region Transit gateway where there is direct access to Viva, Yonge and Highway corridors, GO commuter rail service and local transit as

well as planned subway and GO express service along the Highway 407 transitway. The Region should take the steps necessary to identify and secure, through negotiation and the development approvals process, land and/or business arrangement opportunities to deliver the commuter parking facilities as soon as possible.

4. FINANCIAL IMPLICATIONS

Depending on the outcome of Council determination on direction of the Langstaff lands, it will be necessary to bring forward financial analysis based on that direction.

6. LOCAL MUNICIPAL IMPACT

The findings of this report indicate that wherever the operations and maintenance facility is ultimately located, opportunities to include transit oriented development along with this facility can be considered.

7. CONCLUSION

Council direction with regard to the findings of this report is being sought as part of the recommendations contained within this report.

The Senior Management Group has reviewed this report.

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