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LANGSTAFF OPERATIONS AND MAINTENANCE FACILITY LAND ACQUISITION STRATEGY UPDATE

The Rapid Transit Public/Private Partnership Steering Committee recommends the following:

- 1. The communication and deputation by Chris Barnett, Davis & Company, June 14, 2006, be received; and**
- 2. The recommendation contained in the following report June 9, 2006, from the Vice President, York Region Rapid Transit Corporation and the Commissioner of Corporate Services, be adopted:**

1. RECOMMENDATION

It is recommended that this report be received for information and that staff continue to consult with the Town of Markham on the Langstaff Land Use Study now underway.

2. PURPOSE

The purpose of this report is to update Council on the status of the Yonge Street Transitway Environmental Assessment (EA) and preparatory work leading to the acquisition of property ("Langstaff lands") required to establish a large-scale Operations and Maintenance (O&M) facility to meet the Region's rapid transit and conventional transit fleet needs to 2031. In addition the report updates Council on the Langstaff land use Study now underway at the Town of Markham.

3. BACKGROUND

Regional ownership of the lands identified in the Yonge Street Transitway EA as the preferred location for the O&M facility represents a significant investment of strategic importance to the Region's planned urban structure and long-term transit infrastructure needs. Acquiring this property is in the public interest and is vital to advance the long-term objectives of the York Region Rapid Transit Plan, the Transportation Master Plan and York Region Transit.

The acquisition of the Langstaff lands represents a significant commitment to rapid transit and achieving the Region's modal share target of over 25% in centres and corridors, and to the public leadership required to achieve the Region's planned urban structure of Regional Centres linked by Regional Corridors, served by rapid transit.

The Langstaff lands are located within the Town of Markham, immediately south of Highway 407, between Yonge Street in the west and the CN Rail line in the east, and directly north of the Holy Cross Cemetery of the Archdiocese of Toronto (see *Figure 1*).

The Environmental Assessment for Yonge Street including the Langstaff O&M facility has been approved

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 rail rapid transit (LRT) vehicles. This facility could also be a joint facility with York Region Transit to carry-out some maintenance activities of the conventional transit bus fleet.

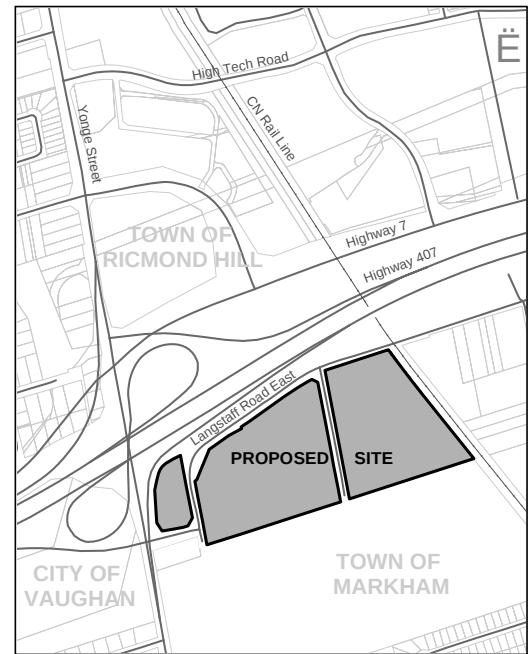


Figure 1

The EA for the Yonge Street Transitway was approved by the Minister of the Environment on May 12, 2006. The Langstaff site consists of a 37 acre site comprised of 34 properties, as shown in *Council Attachment 1*. The facility requirements approved by the EA include:

- 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 Langstaff facility was identified as the optimal facility following an extensive property search and process defined in the EA. This on-line facility is located at the cross-roads of the north-south and east-west rapid transit system provides for the logical extension of the rapid transit system north from Steeles Avenue along the heaviest travelled section of the system on Yonge Street to Langstaff where upon the system can

be expanded north, east and west based on ridership demands and capital funding availability.

The Langstaff properties provide the only site suitable for any of the 3 individual segments of the Rapid Transit Corridors which would be initially converted, either individually or in combination, from BRT to LRT. Furthermore, as the adjacent Richmond Hill Transit Centre will be the start/end point for any LRT service, the Langstaff location provides the ultimate flexibility any future LRT requirements. Logistically, the LRT facility must be located within the length of the LRT Transitway and, to the greatest extent possible, immediately adjacent to the Transitway alignment. This requirement is set by the high cost to construct and maintain “Non Revenue Track”. Non Revenue Track is defined in this case as track constructed to provide access to the maintenance facility, but not required as part of the Transitway corridor. In other words, no passengers will be carried by the vehicles on that section of track. The estimated cost of this Non Revenue Track is \$9,000 per meter. This estimate does not include the cost of the right of way, nor does it include any costs for utility relocations, structures or road crossings. A total cost of \$20 million per kilometre (capital costs only) for Non Revenue Track with all of these considerations would be required when considering a site that is not immediately adjacent to the LRT Transitway. Ongoing costs of maintenance to the right-of-way, as well as the increased cost associated with the unnecessary “deadheading” the LRT vehicles, must also be considered.

The Langstaff site was selected through an exhaustive and costly EA process having regard for these considerations, amongst others. In addition to being the single most cost effective solution, it also represents the only solution for any and all future LRT configurations for rapid transit deployment in York Region along the rapid transit corridors.

On September 15, 2005 Council endorsed a land acquisition strategy for the Langstaff lands that included commencement of negotiations to acquire the lands located south of Highway 407, between Yonge Street and the CN Rail line for the purpose of establishing an O&M facility to accommodate Regional rapid transit.

The long term “Transit Storage and Maintenance Facilities Strategy for York Region (December 2005)” was adopted by Council on January 26, 2006 and is integral to the long-term efficiency and effectiveness of managing and maintaining the Region’s rapid and conventional transit fleet to 2031. The strategy locates the central O&M facility at the centre of the transit network along with transit O&M facilities located along the north, east and west ends of the regional transit network.

Council authorized that Requests for Proposals (RFP) be issued, in collaboration with the appropriate Regional Departments, for the procurement of expert consulting services to undertake the due diligence required for the land acquisition process. Council directed the York Region Rapid Transit Corporation and Property Services staff to report back on the progress of the planning process and land acquisition process.

RFP's were subsequently issued for professional consulting services. Rather than issuing a single RFP for a pre-assembled team of experts, individual RFP's were issued to ensure the Region selected the most qualified expert in their respective discipline. This process ensured fairness and enabled the Region to pick the most qualified professional from a range of prospective candidates. This report presents findings to date and the status of the planning and land acquisition process for the required lands at Langstaff.

4. ANALYSIS AND OPTIONS

4.1 Ownership of the Langstaff Lands is preferred

Outright ownership of the lands identified in the EA as the preferred location for the O&M facility was determined to be the best option for the Region to pursue. Compared to long-term lease agreements or negotiating other types of tenure with the existing Langstaff owners and tenants, ownership provides the Region some degree of certainty, flexibility and control over a very valuable and strategic public asset. As a public body, the Region's strategy for acquiring the required lands must be comprehensive, fair and anticipate future needs.

With the approval of the EA in May 2006, the Region may at its election initiate the expropriation process to ensure the availability of property in a timely manner for development of the O&M facility. While acquisition through negotiation is the preferred option, expropriation may be required since it is doubtful that all property owners will sell their lands voluntarily.

4.2 A professional team of experts have been retained

The investigative process to determine the market value of the land has commenced. This work is being undertaken by a team of expert, independent professionals who have been retained by the Region. The following consultants have been hired through the RFP process:

Appraiser – John D. Weir and Associates. An additional appraiser is to be retained.

Business Damages Evaluator – TBD

Civil Engineer – The Consortium (YC2002) will provide this service (subject to award of segment Y1 work to YC2002).

Environmental Engineer – AMEC Earth and Environmental

Land Use Planner – Meridian Planning Consultants Inc.

Lawyer – WeirFoulds are the legal counsel on this project.

Market Expert – TBD

Surveyor – Krcmar Ltd. has been retained and has completed the survey work.

Project Co-ordinator – Doug Stewart and Associates

The above-noted team of experts is being managed jointly by Property Services and YRRTC.

4.3 Master planning and land use and engineering planning activities are underway both at YRRTC and the Town of Markham

YRRTC has completed further analysis of the constraints affecting the development of the Langstaff lands. A preliminary master plan (*see Council Attachment 2*) has been prepared showing a ground related O&M facility for both BRT and LRT. The preliminary results of the storm water management and Pomona Creek revitalization study have been incorporated into the master plan. Both facilities require an extensive amount of land for public purposes and result in the O&M facility needing all lands east of the CN track to Yonge Street.

Staff at the Town of Markham reported to Development Services on June 6th on the Langstaff Lands Use Study-Phase 1-Land Use Options. The report provides recommendations about next steps that are to be taken to determine appropriate land use designations for the Langstaff area and confirms that a public consultation process be held in the fall of 2006. The report, presentation and supporting documents from the planning consultant, David Butler and Associates, outline four options for the development of the land and acknowledge the regional transit initiative. Staff will continue to meet with the Town of Markham as part of the public consultation process to be held this fall. Government uses on the Langstaff site, such as the O&M facility are permitted as-of-right based on current planning permissions. It is important to note that the public has already been part of an extensive consultation process related to the O&M facility as part of the EA process.

Concurrently with the above activity, a small group of existing landowners, in partnership with a developer, have filed an application for an official plan amendment to permit a high density residential community with a hotel. Meetings and discussions have occurred with the developer to advise them of the Region's stated public interest in the subject land through the EA process. The developer to date has indicated that they are not interested in a joint development scenario that involves accommodating the O&M facility. While a title search has shown that only one property has changed hands in the area over the last eight months (in October 2005) the developer has indicated that they have assembled several properties.

Regional staff have remained in contact with the Langstaff landowners throughout the EA process and they have been advised of the Region's interest in acquiring their lands.

We are currently in discussion with several landowners who are interested in the potential sale of their lands to the Region.

Staff are of the view that the Langstaff lands were identified after an extensive search for the appropriate location for the rapid transit O&M facility and that alternative sites are not available. It has always been the objective of YRRTC to take every opportunity to create a transit-oriented development node on lands it acquires for rapid transit infrastructure. In order for the significant density that is to be achieved along the rapid transit corridors supporting infrastructure, such as the Langstaff O&M facility, must be incorporated into the corridor and wherever possible integrated with transit-oriented development. Any suggestions that there are other sites have not been founded in the extensive environmental process now approved by the Minister of the Environment and do not take into account the logical progression of rapid transit infrastructure across the four rapid transit corridors. Dialogue will continue with all interested parties throughout the summer leading to the fall public meeting.

4.4 Relationship to Vision 2026

Acquiring property to establish an O&M facility to meet the long-term needs of rapid and conventional transit services, with the potential for accelerating the development of the area and adjacent lands, is consistent with all eight goal areas of Vision 2026. This strategic public investment, in particular, advances “Infrastructure for a Growing Region,” “Enhanced Environment, Heritage and Culture,” “Managed and Balanced Growth,” and “A Vibrant Economy.”

5. FINANCIAL IMPLICATIONS

Funding for the acquisition of these lands was identified in a report to Council on September 22, 2005.

6. LOCAL MUNICIPAL IMPACT

The preferred location for the O&M facility lies entirely within the Town of Markham, and immediately adjacent to the City of Vaughan in the west and to the Town of Richmond Hill in the north. Public investment in the Langstaff lands will have a significant, positive impact for Markham and its neighbours. The area is largely underdeveloped relative to its strategic location, and has long been identified by Markham as a redevelopment area. The Town has undertaken a preliminary background study to support a new, future secondary plan for the area.

The Regional acquisition and development of these lands is a timely opportunity to achieve the mutual land use objectives of both the Region and the Town. Regional staff are working closely with the Town to develop a common, long-term planning strategy for

the area. This initiative will serve to support and compliment the Town's long-term planning objectives for the area through the local secondary plan process.

7. CONCLUSION

The Yonge Street Transitway EA was recently approved by the Minister of the Environment. The EA identifies lands in the southeast quadrant of Highway 407 and Yonge Street within the Town of Markham as the preferred location for a large-scale O&M facility to meet the long-term needs of the Region's rapid and conventional transit fleet to 2031. The Langstaff lands are also a key component of the "Transit Maintenance Facilities Strategy for York Region (December 2005)," and are planned as the "hub" of the transit system's O&M network.

The Region's acquisition of this property – 34 parcels totalling 37 acres – is also an opportunity to enhance the long-term development potential and financial viability of the area, consistent with the Region's Centres and Corridors Strategy and related Official Plan Policies. Not only would this represent a significant commitment to transit and achieving the Region's over 25 per cent centres and corridors modal split target, the acquisition of the Langstaff lands is also an opportunity to transform the area through public investment and related, future spin-off impacts including higher-order land uses.

RFP's were issued to retain expert consultants to undertake due diligence. Those services are currently being retained and the current status of the acquisition of each expert service is described in Section 4.

Staff will continue to work with the Town of Markham and landowners and report back to Council in the fall on the status of activities affecting the Langstaff lands.

The Senior Management Group has reviewed this report.

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