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STATUS UPDATE HIGHWAY 427 INTERIM ARTERIAL EXTENSION HIGHWAY 7 TO ZENWAY BOULEVARD, CITY OF VAUGHAN PROJECT 8136

The Transportation and Works Committee recommends the adoption of the recommendations contained in the following report, April 25, 2007, from the Commissioner of Transportation and Works:

1. RECOMMENDATIONS

It is recommended that:

1. Council endorse the additional estimated expenditure of \$2,483,000 to be included in the 2008 Roads Capital Budget for the Highway 427 arterial road extension project, to allow staff to proceed with the tender and construction of this project this year.
2. The Regional Chair and Clerk be authorized to execute the required agreement with the Ministry of Transportation for the connection of the interim arterial road to the existing Highway 427 terminus.
3. The Regional Clerk forward 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 of the planned arterial road link between the existing Highway 427 terminus at Highway 7 and Zenway Boulevard (*see Attachment 1*).

This report seeks Regional Council approval to proceed with construction of this project in 2007.

3. BACKGROUND

In 2001, The Regional Municipality of York together with the Region of Peel initiated a Boundary Area Transportation Study (BAT study) to address needs in the rapidly growing area bounded by Steeles Avenue to the south, Mayfield Road and 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 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 Boulevard.

These improvements, once implemented, will provide immediate relief to the traffic congestion at the intersection of Highway 50 and Highway 7 as well as to the northbound Highway 427 at the interchange with Highway 7 (the existing Highway 427 terminus).

The proposed Highway 427 arterial road extension to Zenway Boulevard will be a temporary road until Highway 427 is ultimately extended by the MTO, at which time, the road will be closed and there will be no direct access to the freeway from Zenway Boulevard.

In April 2006, Council approved recommendations on a cost sharing proposal and implementation strategy presented in a progress report prepared cooperatively by staff from the Transportation and Works Department and the Planning and Development Services Department (*see Attachment 2*).

4. ANALYSIS AND OPTIONS

This report presents an updated summary of the recommended final implementation plan and cost sharing formula.

4.1 Cost Sharing Arrangements

In March 2007, York Region received a grant of \$1,000,000 from the MTO, which the Region has applied towards MTO's designated share of the construction of the Highway 427 Interim Arterial Extension project.

The City of Vaughan and the area developers have endorsed the April 2006 construction cost share proposal and have proceeded with the construction of the remaining link of the four-lane, east-west collector road (Zenway Blvd.) connecting Highway 27 to Highway 50 as part of the area development.

In September 2006, the Region of Peel approved a contribution of approximately \$1,513,000 towards the construction of this project. The Region of Peel has not agreed to contribute to the maintenance of the roadway as this road will be solely under York jurisdiction.

In light of Peel Region's position on this issue, staff recommends that York Region be wholly responsible for the maintenance of the arterial extension (\$32,000/year) and that

future Roads Operations Budgets be adjusted accordingly through the service life of the road.

4.2 Property Acquisition from Area Developers

Negotiations are proceeding to acquire lands from two private property owners. The required property parcels will be secured by July 2007.

MTO has agreed to issue an Encroachment Permit to permit the Region to use the required MTO lands without the need for York Region to acquire them.

Further details with regards to property acquisition from these owners are included in a separate report prepared by the Director of Realty Services.

4.3 Property Acquisition, Encroachment Permit and Agreement with MTO

The MTO requires the execution of a formal agreement with York Region to connect the interim arterial road to the existing provincial freeway facility prior to issuing an encroachment permit.

The agreement has been finalized and addresses issues of property acquisition, contract administration, permits, liability, warranty, ongoing operations, maintenance, property cost recovery, etc.

In the agreement, the MTO explicitly acknowledges that York Region will be acquiring lands from private landowners, which may ultimately form part of the Highway 427 right-of-way, subject to the outcome of the Individual Environmental Assessment for the Highway 427 extension. In the event that the lands acquired by York Region are required for future highway use, the MTO has agreed to compensate the Region for the lands at the same valuation the Region originally paid.

4.4 Project Schedule

The following table is a summary of key deliverables and project schedule.

Table 1
Project Schedule

Deliverables	Schedule
Detailed Design/Contract Documents	Complete
Permits – TRCA/MOE	Complete
Utility Relocation (none required)	N/A
Property Acquisition	July 2007

Execution of Ministry of Transportation Agreement/Encroachment Permit	June/July 2007
Tender for 2007 Construction	June 2007
Contract Award	July 2007
Construction Completion	Spring 2008

5. FINANCIAL IMPLICATIONS

The overall cost commitment for each stakeholder for the construction of Highway 427 Arterial Extension is presented in Table 2. The figures reflect the latest construction cost estimate of \$4,310,000 and include the one million dollar grant from the MTO.

The proposed expenditures and funding sources for the entire project, including detailed design, property acquisition, and construction, are presented in Table 3.

Table 2
Cost Share for Construction
(Cash Flow in 000s)

Stakeholders	Recommended Final Cost Share
Hwy 427 Arterial Extension	
• York Region	\$1,797
• Region of Peel	1,513
• Ministry of Transportation	1,000
Construction Total	\$4,310

Table 3
Proposed Total Project Expenditures and Funding Sources
(Cash Flow in 000s)

Project Highway 427 Interim Arterial Extension	
Gross Expenditures	
• Detailed Design	\$ 287
• Property Acquisition*	3,900
• Construction	4,310
Subtotal	\$8,497

Funding Sources

• 2007 York Roads Capital	3,357
• External	
- Peel Region	1,657
- MTO Contribution (March 2007)	1,000
Subtotal	\$6,014

Additional Funding Required	\$2,483
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*Property costs are based on the current appraisals. The costs of all or part of these lands will be recoverable from the MTO when required for the ultimate Highway 427 extension (refer to Section 4.3).

The updated total estimated cost for this project is \$8,497,000. The approved 2007 Roads Capital Budget has approved a York Region total contribution of \$3,357,000 towards this project (based on 2006 preliminary estimates). With the addition of the Peel Region and MTO contributions, the approved project funding now totals \$6,014,000. Therefore, an additional contribution of \$2,483,000 is required to fully fund this project.

It is anticipated that the funding included in the approved 2007 Roads Capital Budget is adequate to cover costs incurred in 2007. It is proposed that the additional \$2,483,000 funding required be included in the 2008 Roads 10 Year Capital Plan and the 2008 Roads Capital Budget be adjusted accordingly to reflect this amount.

Furthermore, as noted in Section 4.1, York Region will be required to maintain the arterial road extension from Highway 7 to Zenway Boulevard, including the intersection. Staff has estimated that approximately \$32,000 (2008) will be required annually in the Region's Roads Operations Budget for winter and non-winter maintenance commencing in 2008 and continuing through to the end of the arterial road's service life.

6. LOCAL MUNICIPAL IMPACT

City of Vaughan staff have been actively involved throughout the original transportation and Environmental Assessment studies to address interim traffic demands in the rapidly growing area bounded by Steeles Avenue to the south, Mayfield Road and Nashville Road to the north, Airport Road to the west and Highway 27 to the east.

City of Vaughan staff have also assisted in discussions with affected landowners to coordinate implementation of, and contribute funding towards the collector road network in the emerging employment area north of Highway 7.

The Highway 427 arterial road extension is critical to the success of the planned road network to improve traffic operations in the York-Peel Regional boundary area and

provide the capacity needed to accommodate development in and around the study area during the interim period, prior to the ultimate Highway 427 extension by MTO.

7. CONCLUSION

The York-Peel Boundary Area Transportation Study identified key short and long term improvements to address transportation needs in the rapidly growing area bounded by Steeles Avenue to the south, Nashville Road to the north, Airport Road to the west and Highway 27 to the east.

Consequently, the Region is proceeding with the implementation of one of the proposed short-term improvements; a four-lane north-south arterial road from the existing terminus of Highway 427 to Zenway Boulevard.

York Region, Region of Peel, MTO, City of Vaughan and area developers have been working together to coordinate road improvements and have agreed to contribute their designated share of the cost for the design and construction of the road improvements.

By the summer of 2007 the area developers and the City of Vaughan will have completed the remaining link of the four-lane east west collector road (Zenway Boulevard) north of Highway 7, connecting Highway 50 to Highway 27, including intersection improvements to accommodate the future connection of the proposed arterial roadway.

In order to move this project forward, facilitate tendering and begin construction in 2007, staff recommends that the Region execute the agreement with the MTO.

For more information on this report contact Dino Basso, Director, Capital Delivery, Roads Branch at extension 5902 in the Transportation and Works Department.

The Senior Management Group has reviewed this report.

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