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**HIGHWAY 404 MID-BLOCK CROSSING
BETWEEN HIGHWAY 7 AND 16TH AVENUE
TOWNS OF MARKHAM AND RICHMOND HILL**

The Transportation and Works Committee recommends:

- 1. Receipt of the presentation by Paul Jankowski, General Manager, Roads Branch, Transportation Services Department; and**
- 2. Adoption of the recommendations contained in the following report dated April 24, 2009, from the Commissioner of Transportation Services, with the following additional recommendation:**
 - 5. The Regional Chair be directed to contact the Minister of Transportation regarding the long-term structural maintenance and rehabilitation costs.**

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council direct staff to proceed with the detailed design and tender preparation and work with the staff of the Towns of Markham and Richmond Hill and the Ministry of Transportation of Ontario to draft an agreement for the implementation of the Highway 404 crossing between Highway 7 (Y.R. 7) and 16th Avenue (Y.R. 73).
2. Regional Council commit, in this instance, to cost share equally with the Towns of Markham and Richmond Hill the long-term maintenance and replacement costs for the Highway 404 crossing between Highway 7 (Y.R. 7) and 16th Avenue (Y.R. 73) subject to the agreement of the Towns of Markham and Richmond Hill.
3. The Regional Chair and Regional Clerk be authorized to execute the agreement on behalf of the Region, subject to the approval of the Commissioner of Transportation Services as to terms and conditions and Legal Services as to form and content.
4. Regional Council authorize staff to undertake further discussions with the Association of Municipalities of Ontario, the Ontario Good Roads Association, Regional Public Works Commissioners of Ontario and other municipalities affected by the Ministry of Transportation's current position obligating municipal responsibility for long-term structural maintenance and rehabilitation costs and to seek the appropriate consultation and/or changes to the Ministry position.

2. PURPOSE

This report provides an update on the planned mid-block collector road crossing over Highway 404 between Highway 7 and 16th Avenue in the Towns of Markham and Richmond Hill, and to secure Council's approval of actions which will allow for progress on this crossing.

3. BACKGROUND

Regional Council has previously endorsed the planning for a number of collector road crossings of Highway 404 between the Towns of Markham and Richmond Hill

Over the last number of years, Regional Council has directed Regional staff to work with local municipalities to plan and protect for a number of grade-separated mid-block road crossings of provincial freeways within York Region. These crossings have been identified and planned for through a number of Regional and local planning documents and initiatives, and have been the subject of previous reports to Regional and local Councils. All of the currently planned crossings are depicted in *Attachment 1*.

Over the last few years, Regional staff has been working with the staff of the Towns of Markham and Richmond Hill to plan the four identified crossings of Highway 404. The four crossings are at varying stages of planning/implementation.

4. ANALYSIS AND OPTIONS

Although the EA for the crossing between Highway 7 and 16th Avenue has long-been approved, detailed design has been stalled because of the continued impasse over responsibility for long-term structure maintenance and rehabilitation costs

In December 2005, the Town of Markham, acting as lead proponent on behalf of all three co-proponents, completed and secured Environmental Assessment approval for the proposed Highway 404 crossing north of Highway 7. Since that time, Markham and Richmond Hill have protected for the corridor required for the crossing through appropriate planning processes and all three municipalities have made a commitment to their share of the capital costs for detailed design, property acquisition and construction in conformance with the cost-sharing principles approved by Regional Council on October 18, 2007 (*Attachment 2*). It is important to note that for approved municipal Class EAs, proponents must commence implementation of the project within five years. Given that the EA for the midblock crossing north of Highway 7 was approved in

December 2005, continued deferral of initiating the detailed design could result in a need to update the approved EA.

The estimated annual cost per structure based on a net present value is \$210,000 per year, which would amount to an estimated \$70,000 per year for each of the three parties

All three municipalities concur with the immediate need for this crossing primarily to support economic growth in the area by:

- Servicing the provincial-directed growth and intensification in the Highway 407/Highway 404/Highway 7 area.
- Facilitating the implementation of the Highway 7 VIVA bus rapidway.
- Improving overall interchange, freeway and roadway operations in the area.

The issue of long-term maintenance and rehabilitation costs continues to be a stumbling block to the project. MTO staff continue to insist that the Ministry will only approve the new crossing if the long-term maintenance and replacement costs are secured by the Region and/or the municipalities. In 2007 the annual costs were estimated to have a net present value of \$210,000 per year per structure, subject to final negotiation with the MTO. A one third share of this cost would be approximately \$70,000 per year per structure in perpetuity for each of the three municipal partners in this undertaking.

The MTO policy requiring municipalities to pay for the longer-term maintenance and replacement of highway structures is relatively new

Over the past year and a half, Regional representatives have had discussions with all parties, including the MTO Central Region staff, to better understand this change. Past practice has seen the MTO rigidly specify the design requirements for overpasses permitted on the controlled-access highway corridor. This practice has not changed. Once built to MTO requirements, the structures have then become the responsibility of the MTO. The municipalities with jurisdiction over the road crossing the highway maintain responsibility, through agreement with the MTO, only for their roadway surface and lighting. The MTO maintains the highway structure, coordinating its care, maintenance and ultimate replacement with overall highway operating responsibilities.

Recently – since approximately 2005 – MTO staff have revised crossing agreements to include the obligation for the municipalities to provide or secure funding for perpetual maintenance of the highway crossing structure.

The implication of this approach is that the Province is setting a different standard for municipalities that are subject to the Growth Plan. This recent arbitrary application of MTO practice to some municipalities appears unreasonable and inconsistent and has been applied without previous advice or consultation.

The development of such a policy with implicit downloading of costs would more appropriately be subject to consultation with municipalities in the spirit of cooperation set out in the MOU under the *Municipal Act, 2001*.

Staff in Markham and Richmond Hill recognize the need to advance the project towards construction

Town of Markham staff has indicated that Markham is ready to commit their portion of the funding for the detailed design and contract preparation to get underway concurrent with further work to attempt to secure MTO's commitment to these long-term costs in conformance with the Region's policy. Richmond Hill staff has indicated that Richmond Hill's commitment to its portion of the detailed design and contract preparation costs is contingent on the Town achieving assurance that it will not be subject to the long-term costs of maintaining and replacing the structure.

Regional staff has confirmed that the Region's portion of the costs for the capital work is included in both the Regional 2009 Roads Capital Budget and the 10-Year Capital Plan, and the Region is prepared to participate in the detailed design and contract preparation work immediately to prepare for construction of this increasingly vital crossing as soon as the issue of the long-term costs is addressed to the satisfaction of all affected parties.

It is in the interests of the Region, in view of the planned VivaNext construction on Highway 7, to ensure this highway crossing is in place as soon as feasible. In addition, development is proceeding on both sides of Highway 404 in the vicinity of the EA approved alignment for this crossing, and both Richmond Hill and Markham staff recognize the need to continue with the detailed design, confirm property requirements to allow development plans to be finalized, and prepare a contract package for construction imminently.

The Region's planned one-third share of the costs for the detailed design and contract preparation have been included in the 2009 Roads Capital Budget, in conformance with the approved Regional cost-sharing policy for these mid-block collectors. An agreement has been reached to allow Markham (as project manager for this project) to retain a consultant for this preparatory work.

Two options for Regional Council's consideration have been identified as a result of the discussions with municipal stakeholders. These are:

1. Defer further work on the project until the Ministry of Transportation reconsiders the responsibility for the long-term structure and rehabilitation costs.
2. Agree with each of the municipal partners to assume one-third of the long-term maintenance and replacement costs of the bridge, allowing for negotiation of the draft implementation agreement with the MTO to proceed concurrent with the detailed design and contract preparation work.

The option of further delaying detailed design bears financial risks

The detailed design of the project could be deferred until the Ministry changes its position with respect to the long-term costs. This would likely result in the need to update the already approved Class EA and would require additional funding and introduce additional process delays. This would also necessitate certain property and grade assumptions to be made to identify potential property requirements for the approach roadways on both sides of the freeway. While such assumptions would allow for the site plans on both the west and east sides of Highway 404 to proceed, there are risks that either too much or not enough property would be protected, resulting in additional capital costs to the ultimate crossing project. It also does little to alleviate the congestion in one of our more prominent business parks.

The Region could commit to one-third of the longer-term structure costs for this crossing which, contingent on the Towns of Richmond Hill and Markham also committing one-third, would allow for the negotiation of the agreement and the detailed design work to proceed concurrently.

The second option which Regional staff has considered is to commit to contributing one-third, i.e., a proportionate share, of the longer-term structure maintenance and rehabilitation costs for this crossing only, to allow the project to move ahead. Such a Regional commitment would necessitate both Markham and Richmond Hill making similar commitments.

If the principle of sharing these longer-term costs was agreed to by the Councils of Markham and Richmond Hill, the negotiation of the detailed terms of the four-party crossing implementation agreement, including the Ministry of Transportation, could proceed concurrent with the detailed design and contract preparation work. Past experience suggests that these negotiations and associated MTO design approvals, could take a year or more.

The costs for the detailed design and contract preparation, in conformance with the Council-approved Regional policy, would be shared equally by the Region and the Towns of Markham and Richmond Hill. Under this option, staff proposes to report back to Regional Council with the detailed terms of cost-sharing, once these have been negotiated with all parties, and to seek Council authorization to execute the agreement.

5. FINANCIAL IMPLICATIONS

The Region's share of the detailed design and contract preparation costs for the Highway 404 crossing between Highway 7 and 16th Avenue has been included in the approved 2009 Roads Capital Budget.

The Regional commitment to the longer-term structural costs will be included in the draft 2010 10-Year Roads Capital Program to be presented for Regional Council approval.

6. LOCAL MUNICIPAL IMPACT

The Regional commitment to a one-third share of the long-term structural maintenance and rehabilitation costs for the Highway 404 crossing between Highway 7 and 16th Avenue will, subject to Richmond Hill's and Markham's concurrence, allow for the detailed design to get underway. This in turn would ensure that the current land use planning applications in the vicinity of the crossing could incorporate the appropriate property protection requirements and minimize the risks associated with 'stale-dating' of the currently approved EA.

7. CONCLUSION

While the Region has continued to plan and protect for a number of mid-block collector crossings in partnership with our local municipalities, the current impasse regarding long-term structure rehabilitation costs has stalled progress on the crossing between Highway 7 and 16th Avenue.

Following discussions with staff of the Towns of Markham and Richmond Hill and of the Ministry of Transportation, Regional staff considered options for moving forward. Because of the importance of this crossing to the transportation network, and the risks associated with further delay, Regional staff have proposed that:

1. The Region proceed with the detailed design and contract preparation for the Highway 404 Mid-Block Crossing between Highway 7 and 16th Avenue, in partnership with the Towns of Markham and Richmond Hill, with the costs to be shared equally in conformance with the current Council approved policy.
2. For purposes of minimizing further delay on the Highway 404 Mid-Block Crossing between Highway 7 and 16th Avenue, the Region commit on a one-time basis, and subject to agreement of the Towns of Markham and Richmond Hill, to cost share long-term maintenance and replacement costs for this crossing equally with the Town of Markham and the Town of Richmond Hill.

3. Staff work with the staffs of the Towns of Markham and Richmond Hill and the Ministry of Transportation of Ontario to draft an agreement for the implementation of the Highway 404 crossing between Highway 7 and 16th Avenue, in reflection of the above.
4. The Region maintain the position that long-term maintenance and rehabilitation costs of freeway crossing structures should be maintained by the Ministry of Transportation of Ontario, and that the Region continue to pursue, with all appropriate partners, a change in the Ministry's current practices pertaining to these costs.

For more information on this report, please contact Paul Jankowski, General Manager, Roads, at Ext. 5901.

The Senior Management Group has reviewed this report.

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

**Highway 404 Mid-Block Crossing Between
Highway 7 and 16th Avenue**

Towns of Markham and Richmond Hill

**Presentation to
Transportation and Works
Committee**

(reference Report D4)

Paul Jankowski,
General Manager, Roads

May 6, 2009

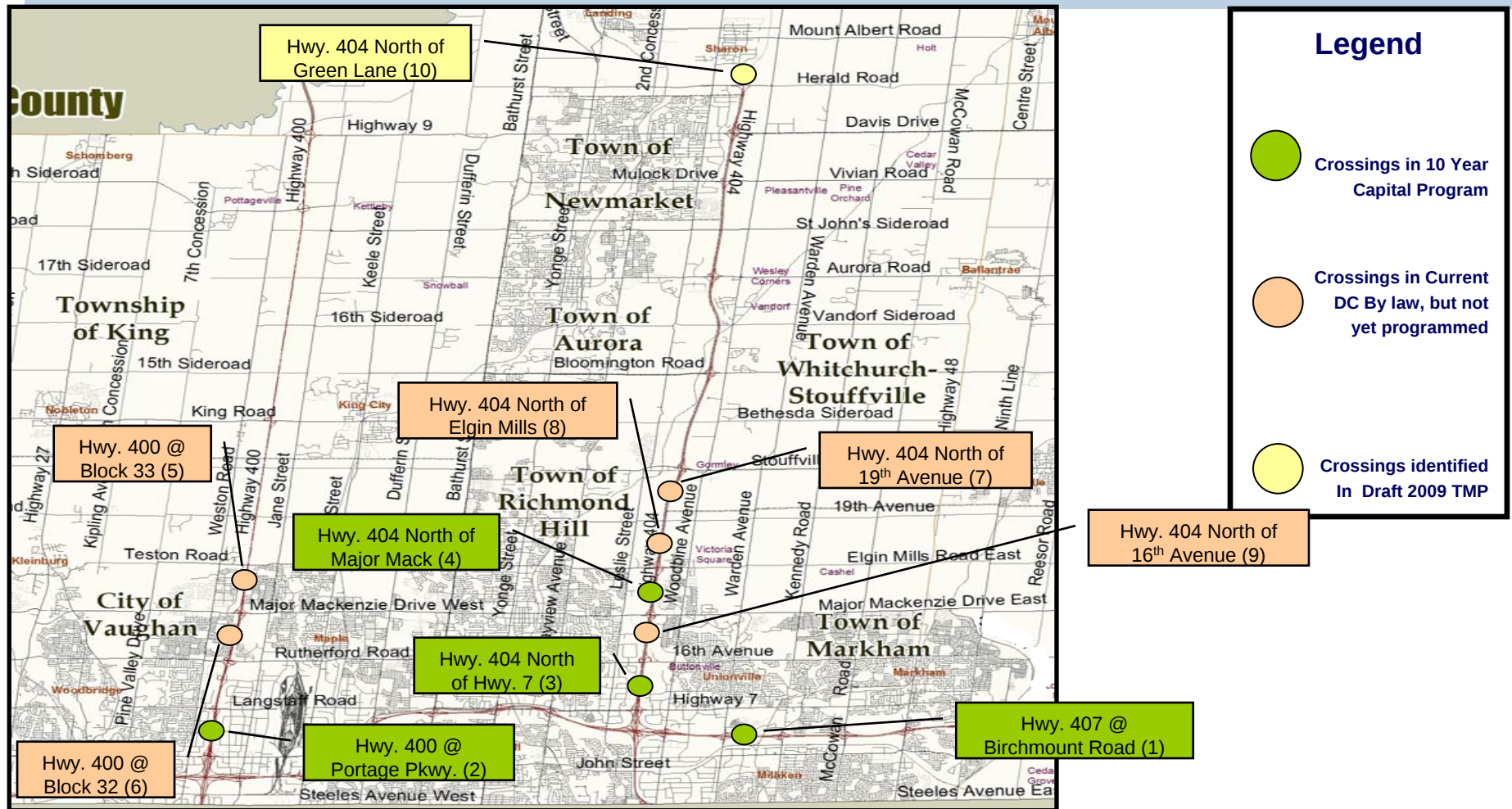
Overview

- ❑ **Background**
- ❑ **Status of Hwy 404 Crossing Between Highway 7 and 16th Avenue**
- ❑ **MTO Issue**
- ❑ **Options**
- ❑ **Recommendation**

Background

- ❑ **2007 DC-Bylaw identified 1/3 funding for 9 crossings (\$39.0 M)**
- ❑ **4 Crossings in approved Regional 10 Year Plan**
- ❑ **Most crossings also included in local municipal planning**
- ❑ **September 2006 - Regional Council approved policy 1/3 funding (of infrastructure connecting local networks)**
- ❑ **September 2007 - Council directed staff to discuss and develop standardized cost sharing practices with MTO**

Originally Planned Mid Block Crossing Locations



Mid Block Collectors – Definition



**New roads crossing
Highways 400, 404, 407**

Local municipal collectors

Connect two arterial roads

Not full access interchanges



Planned Hwy 404 Crossing Between Hwy 7 and 16th Avenue



Project Status

- ❑ EA completed in December 2005.
- ❑ Numerous discussions with Richmond Hill, Markham and MTO.
- ❑ Property protected in principle through planning applications on both sides.
- ❑ MTO position has not changed – MTO still seeking securities for long-term structural maintenance, rehab, and replacement costs.
- ❑ April 30, 2009: York included project in request for federal/provincial stimulus funding.
- ❑ Developers on Markham side want to proceed, and property requirements must be confirmed.
- ❑ Detailed Design required to confirm property.

MTO Issue

- ❑ MTO Central Region has adopted practice of insisting on security for perpetual costs.
- ❑ Regional policy addresses only initial capital costs prior to turnover of bridge structure to Province.
- ❑ Preliminary Regional net-present value estimate of long-term costs is \$210 K per year.
- ❑ Richmond Hill unwilling to fund its share of detailed design until responsibility for perpetual costs is addressed.



Options For Consideration

- ❑ **Defer further consideration of implementation of this (and other) crossings until MTO revises its practice.**
- ❑ **Agree to assume 1/3 share of perpetual cost, on a one-time basis, allowing for detailed design to proceed in anticipation of municipalities also agreeing to assume 1/3 share.**



Recommendation

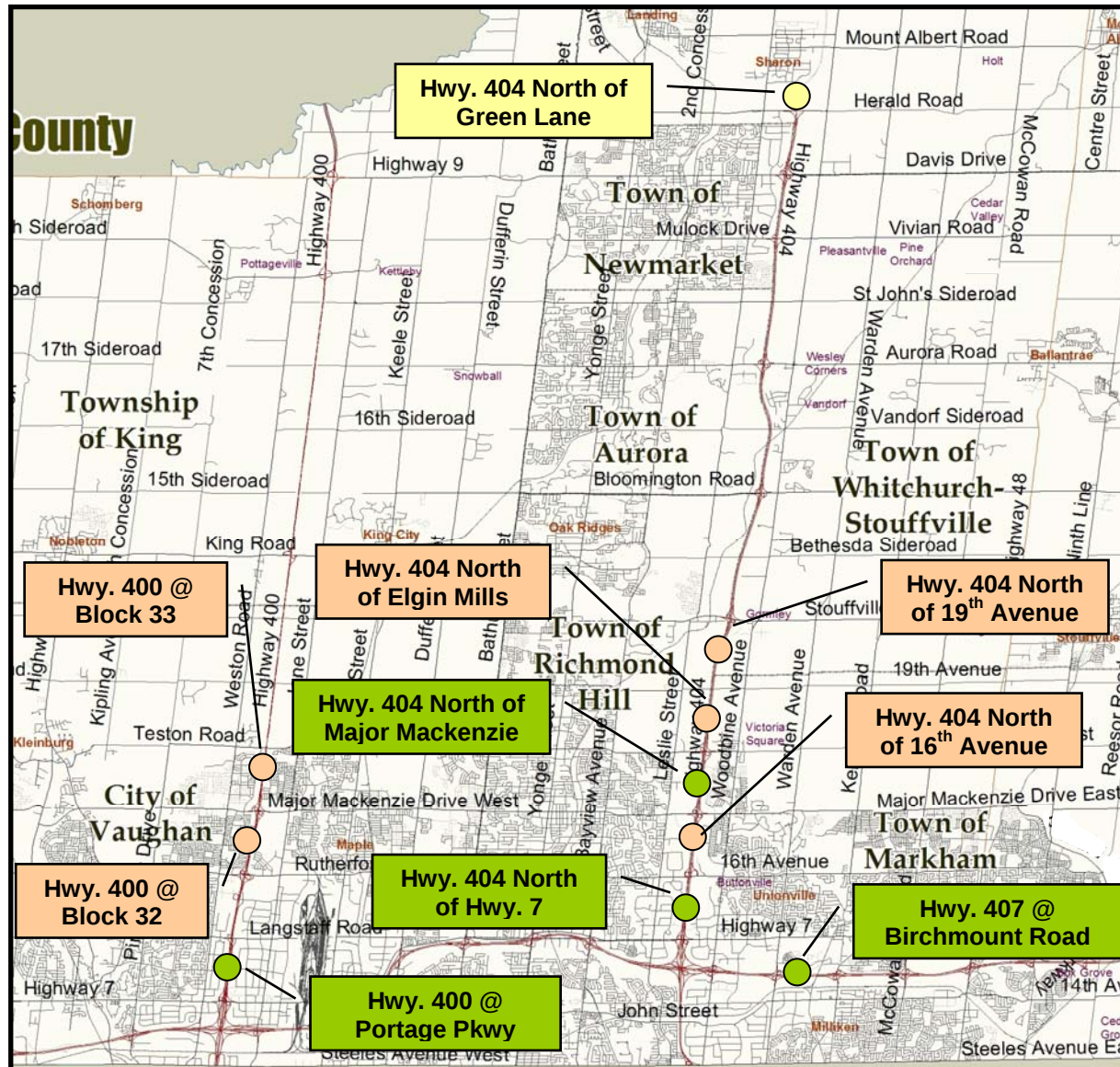
As detailed design is required immediately to confirm property requirements and to prepare for rapid implementation of this project, it is recommended that:

- ❑ Region commit to funding 1/3 share, for this project only.**
- ❑ Regional staff be directed to negotiate implementation agreement with Richmond Hill, Markham, and MTO.**
- ❑ Regional Chair and Clerk be authorized to execute this agreement.**
- ❑ Regional Council maintain that the perpetual costs for these structures should remain the responsibility of the MTO, and that the Region continue to pursue the required changes in MTO's practices.**

Questions?



400 SERIES HIGHWAY MID-BLOCK CROSSINGS



LEGEND



CROSSINGS IN 10-YEAR CAPITAL PROGRAM



CROSSINGS IN CURRENT DC BY-LAW, BUT NOT YET PROGRAMMED



CROSSINGS IDENTIFIED IN DRAFT 2008 TMP

Report No. 8 of the Transportation and Works Committee
Regional Council Meeting of October 18, 2007

2

REGIONAL POLICY AMENDMENT FUNDING COLLECTOR ROAD CROSSINGS OF 400-SERIES HIGHWAYS

The Transportation and Works Committee recommends the adoption of the recommendations contained in the following report, September 19, 2007, from the General Manager, Roads:

1. RECOMMENDATIONS

It is recommended that:

1. Regional Council adopt the "Funding Collector Road Crossings of 400-Series Highways" policy that provides for shared capital cost sharing funding between York Region and its local municipal partners.
2. Regional staff be directed to work with the Town of Markham and Town of Richmond Hill staff to draft an agreement with the Ministry of Transportation for the new Highway 404 crossing north of Highway 7 to reflect the Ministry's responsibility for long-term structure maintenance and rehabilitation.
3. Regional Chair communicate York Region's concerns with the recent MTO funding practice to the Minister of Transportation and seek provincial execution of the legal agreement to allow for construction of the Highway 404 crossing to proceed immediately.
4. A copy of this report be circulated by the Clerk to local municipalities

2. PURPOSE

This report is to seek Council endorsement of an amended policy for funding local collector road crossings of 400-Series Highways.

3. BACKGROUND

On September 21, 2006 Regional Council adopted Report No. 8 of the Transportation and Works Committee which laid out a policy for York Region participating in a 1/3 contribution towards the capital costs of local collector road crossings of the provincial 400-series highways. The report included one amendment as follows:

“Clause 12 relating to Regional Policy, Funding of Collector Road crossings of 400-Series Highways, be amended by referring the issue of operating costs to a future meeting of the Committee.”

This report provides some additional information on the issue of operating costs of the mid-block crossings and makes recommendations as to how the current policy can be amended to address this item.

3.1 Crossing Locations / Status

There are nine projects identified in the Development Charge By-law, five of which are in the approved 2007 – 10-Year Capital Program. Table 1 identifies the status of the five projects while *Attachment 2* shows their location.

Table 1
Project Status Table

Project	Municipality	Project Status	Estimated Cost
1 Hwy 400 Crossing at Portage Parkway (formerly Applewood Crescent)	City of Vaughan	• Contract tendered March 2005 • Construction on going	
2 Hwy 407 Crossing at Rodick Road (between Woodbine Ave and Warden Ave)	Town of Markham	• Project complete	
3 Hwy 407 Crossing at Birchmount Road (between Warden Avenue and Kennedy Road)	Town of Markham	• Currently under construction • Completion in 2009	
4 Hwy 404 North of Hwy 7 (Bayview, northeast Business Park)	Town of Markham And Town of Richmond Hill	• Environmental Assessment completed. • Design consultants procurement on hold pending local municipal approval • Expect project tender in 2008	

- | | | |
|---|---|---------------------------|
| 5 Hwy 404 North of
Major Mackenzie Drive
(North Leslie
Secondary Plan) | Town of
Markham
And
Town of
Richmond Hill | • Project not yet started |
|---|---|---------------------------|
-

3.2 Changing Provincial Position Regarding Highway Crossings

In the past, the capital cost-sharing arrangements related to highway crossings/interchanges have been generally proportioned according to the perceived benefits that the project represented to each party. Typically, the Ministry of Transportation (MTO) was responsible for maintenance and replacement or rehabilitation of a bridge due to its structural conditions or lack of capacity. The municipality was responsible for maintenance and rehabilitation of the crossing road surface over or under the freeway or highway.

In the last decade, the Ministry has increasingly taken the position that should a municipality wish to increase the capacity of the arterial road or the interchange at a freeway prior to the Ministry programming of such work, then the municipality would be responsible for the capital costs of constructing such new capacity. This notion of attributing capital costs on the basis of perceived benefit led to the Region's development of the mid-block collector policy approved in September 2006. That policy reflected what had been to that point the normal practice of the municipalities designing and constructing highway works to MTO standards and then turning over the ownership of the new structures to the Ministry after construction with the Ministry assuming the infrastructure as part of the Provincial asset base. This occurs since the structure falls within the *Controlled Access Highway Designation* limits. This resulted in the Ministry, historically assuming responsibility for the ongoing maintenance and rehabilitation for the structure.

3.3 Recent Actions - Attempting to Further Download Provincial Highway Costs

Recently however, there has been a noticeable shift in the Ministry's approach to these cost-sharing arrangements on projects in the Greater Toronto Area (GTA), and in particular York Region.

A copy of a document titled *Draft Municipal Project Crossing 407 MTO and/or 407 ETR Requirements* has been forwarded to York Region (see Attachment 3). The application of this document, although referencing 407 crossings, is now being attempted by Ministry staff towards crossings on other 400-series highways such as Highway 400 and Highway 404. The biggest difference with this draft document and the historical practice is found in item 3. In this paragraph, the Ministry attempts to transfer all costs (including construction and long term maintenance / rehabilitation /and replacement) to the municipality.

It should be noted that this attempt to transfer long term maintenance / rehabilitation and replacement has not been enacted in any legislation/ act or formal policy document at the Province. It appears to be a practice, initiated by MTO staff with no prior consultation with the municipal sector. It is not clear that the practice is being uniformly applied across the province.

3.4 Highway 400/Applewood Crossing in the City of Vaughan

The Ministry's new approach to transfer responsibilities for all future life-cycle costs for structures crossing provincial freeways was first dealt with in York Region by the City of Vaughan. The City, as the lead proponent for the Applewood crossing over Highway 400, was in the unfortunate position of potentially incurring additional construction contract-related costs while the MTO refused to grant its permits/agreement for the already tendered structure. As such, the City of Vaughan reluctantly assumed the long-term costs through an agreement executed earlier this year.

City of Vaughan staff remain concerned that entering into any further agreements of this type in the absence of offsetting funding, would establish a precedent which could have significant financial consequences for all municipalities requiring such provincial highway crossings in the future.

4. ANALYSIS AND OPTIONS

York Region is currently working with the Towns of Markham and Richmond Hill staff to prepare contract documents and drawings for the next such crossing, that being the planned Highway 404 crossing north of Highway 7. This crossing is being constructed to not only alleviate major traffic issues in the Highway 7/Highway 404 corridor, something which has a direct impact on the provincial freeway system, but more importantly supports both existing and planned economic development in this key business area. MTO staff have indicated that the Ministry seeks securities to offset the long-term maintenance / rehabilitation and replacement costs as a condition of the required legal agreement to construct this crossing.

The road is a local collector connecting the Towns. There is no local support (or budget) for incurring these additional costs. As such, the project is currently not proceeding to the next phase of design. Regional staff have been working with local counterparts to consider options:

OPTION 1: The first option is for York Region, and the Towns of Markham and Richmond Hill to assume the responsibility of the long-term maintenance/rehabilitation/replacement of these structures. Although, this option would allow the project to proceed quicker, this would impose a significant financial impact to each of the affected municipalities. The estimated cost is in the order of \$210,000 total per year, per structure. Each municipality (Town of Richmond Hill, Town of Markham and York Region) would be responsible for \$70K per year per structure in perpetuity.

This figure is not certain as access to allow for construction on MTO land would be subject to further conditions set out by MTO staff.

OPTION 2: The second option discussed by staff is to try to establish a consolidated position between all municipal partners and to draft the required municipal-provincial agreement to reflect the historic practice of transferring the planned structure as part of the provincial freeway system following construction and to properly transfer the responsibility for future costs to the MTO. This approach would not only be consistent with the longer term history on such structures, but would also reflect the significant operational benefits that the Ministry will derive at the adjacent freeway interchanges (Highway 7 and 16th Avenue) when the collector road crossing is open and when traffic volumes on the parallel arterials through the interchanges are alleviated.

Such an arrangement would also more appropriately reflect the fact that much of this freeway-related construction is being built by municipalities as a requirement of accommodating the provincially directed growth dictated through the *Places to Grow* legislation. Municipalities are now forced to undertake such construction in the absence of a provincial commitment to such servicing.

4.1 Option 2 is Recommended

In light of these considerations, staff are recommending the second option of maintaining the approach adopted in our current funding policy. This option would continue to see the Region and local municipalities pay for our fair share of the capital cost of infrastructure built in the provincial right-of-way in a manner consistent with the rest of the Province. A clarification to the policy is also being recommended to clarify Regional and local municipal expectations that all structure maintenance and rehabilitation costs must remain the responsibility of the Province.

York Region and local municipal staff have worked with Ministry staff to try to reach an agreement on these issues to allow work to proceed. To date however, it appears that a mutually-acceptable agreement can not be reached at the staff level. It is therefore suggested that staff proceed to work with the Towns of Markham and Richmond Hill to draft a new agreement for the new Highway 404 collector road crossing north of Highway 7. This agreement, for execution with the Ministry of Transportation, should reflect the historic assumption of long-term structure costs by the Province. Furthermore, it is suggested the Regional Chair and the local Mayors communicate the local municipal concerns to the Minister of Transportation, and request immediate execution of the new agreement to allow this critical work to proceed.

It is also recommended that staff continue efforts to engage the Province through advocacy with organizations such as the Greater Toronto Transportation Authority, Municipal Engineers Association, Ontario Good Roads Association, Association of Municipalities of Ontario to formalize a consistent and fair approach to dealing with the costs in question.

5. FINANCIAL IMPLICATIONS

York Region's 10-year Capital Program has approximately \$17M identified for capital cost contribution to these structures. However, the adoption of the recommendations in this report will result in no additional financial impact to the Region or its local municipal partners. The cost of assuming 1/3 of the operational responsibilities for these structures is estimated to be \$70K per year per structure in perpetuity.

6. LOCAL MUNICIPAL IMPACT

Both York Region and the local municipalities recognize the benefits of continuous collector roads across provincial freeways/highways and how these contribute to the provincial transportation system and economic vitality of the Region and Province. As a result the Region and municipalities are partnering to build such crossings.

Provincial imposition of further operational and maintenance obligations onto local/regional municipalities is not consistent with Province-wide practice. Assuming that the capital cost apportionment of 1/3 Regional, 2/3 local was extended to operating and future rehabilitation costing as well, the affected local municipalities would be responsible for costs of approximately \$140K per year per structure in perpetuity.

7. CONCLUSION

York Region has an adopted policy in which funding is allocated to construct municipal collector road crossings of 400-series highways. The MTO staff is now attempting to absolve the Ministry of responsibility for maintenance and rehabilitation of infrastructure that is built to its standards and within its jurisdiction.

This somewhat arbitrary decision by Ministry staff places additional financial pressure on the municipalities and has resulted in delays to critical infrastructure in our communities.

It is recommended that our current funding policy be amended to clarify the jurisdictional responsibility for the maintenance/rehabilitation/replacement of these structures and that continued discussions take place both at the political and municipal advocacy group level to ensure York and its local municipalities are treated in a fair manner.

The Senior Management Group has reviewed this report.

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

STATUS

Council Approved	Y	N
CAO Approved:	Y	N

TITLE: Funding Collector Road Crossings of 400-Series Highways	NO.: Approval Date: Last Updated:
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POLICY STATEMENT:

This policy outlines the process and criteria for determining the Region's funding contribution towards new collector road crossings of 400-series highways.

APPLICATION:

This policy applies to requests from local municipalities to York Region for funding contributions towards projects that extend local roads across 400-series highways.

PURPOSE:

This policy establishes the protocol and procedure used to determine the extent that a local municipal road project crossing a 400-series highway is eligible for Regional funding contributions.

DEFINITIONS:

400-series Highway - A 400-series freeway under the jurisdiction of the Ontario Ministry of Transportation located within York Region (Currently Highways 400, 404, 407-ETR, and 427).

Mid-block crossing – A grade separated crossing of a local municipal road over or under a 400-series highway between two arterial York Region roads.

DESCRIPTION:**Activation of Region Funding Contribution**

In May 2003 Regional Council authorized the conditional inclusion of funding for a one third contribution towards the capital cost of nine potential collector road crossings of 400-series highways into York Region's 2003 Development Charge Bylaw (DC Bylaw). The conditions

required to trigger activation of the funding into the Regional DC Bylaw requires that the local municipality:

1. Adopt an Official Plan Amendment which includes the crossing
2. Adds the infrastructure costs for the crossing to its local DC Bylaw
3. Notifies York Region that the two above criteria have been met and supplies evidence to the Region in support of the claim

Upon satisfying the above conditions the Region will issue a notice to the local municipalities, the Urban Development Institute (UDI), and the Greater Toronto Homebuilders Association (GTHBA) that an increase in the DC rate has been triggered, and will take effect 30 days from the date that the Region has given notice. The Region will not fund retroactive works completed prior to adoption of the inclusion list in the 2003 Development Charges By-law.

Eligible Project Limits

In order for a project to be eligible for Regional contribution the project must:

1. Achieve a connection between arterial (i.e. Regional) roads.
2. Once implemented, must contribute to anticipated deferral of expenditures on the adjacent Regional road network.

Once a project has met the above criteria, the portion of the project to be eligible for Regional contribution must reflect the existing traditional jurisdictional responsibilities relative to Regional and local cost apportionment. This includes:

1. The bridge required for the grade separated crossing.
2. The approach roadway segments to points at which local municipal roads either exist or are planned.

In reflection of the May 2003 Regional Council authorization, the Region's funding contribution will be generally defined as one-third of the capital cost of the eligible project costs.

It should be noted that the policy is premised on the core principle that jurisdiction of these structures are to be transferred to the Ministry of Transportation and as such all future structure maintenance/rehabilitation or long-term replacement are to be borne by the Ministry.

Eligible Project Costs

Two key criteria used in determining the eligible versus non-eligible project cost items are:

1. Whether the specific item would normally be a local municipal cost item on a Regional road project.
2. If the Region would have to pay for similar items on adjacent Regional arterial roads if the crossing was not being constructed.

The following table provides a summary of the general categories and major project cost items. Specific items arising on individual projects that are not easily related to this list shall be subject

to discussions and agreement between staff at the Municipal/Regional level. If staff is unable to resolve any differences, a Report will be brought forward to Regional Council for direction.

Eligible versus Non-Eligible Project Costs

Project Cost Items	Eligible	Non Eligible
<u>Engineering Fees</u>		
• Environmental Assessment	✓	
• Detail design/contract preparation	✓	
• Construction admin/inspection/testing	✓	
<u>Construction</u>		
Roadworks		
• Curb/granulars/asphalt	✓	
• Storm sewers	✓	
• Sidewalk		✓
• Local municipal watermain/sanitary sewer services		✓
• Signage		✓
Structural Work		
• Standard highway, railway, water crossing	✓	
Electrical		
• Illumination		✓
• Traffic signals		✓
Streetscaping		✓
<u>Other</u>		
• Maintenance/rehabilitation/replacement agreements – 407, MTO *		✓
• Legal agreements		✓
• Utilities relocations	✓	
• Property	✓	

NOTE: * All structures maintenance/rehabilitation/replacement costs are the responsibility of the Ministry of Transportation and shall not be borne by either York Region or its local municipalities.

Prior to the release of regional funding contributions, local municipalities are required to provide the following:

- Local municipal council resolution for award of contract(s).
- Copies of awarded contract(s).
- Copies of payment certificates made to contractor(s).

RESPONSIBILITIES:

Local municipalities requesting Regional funding contributions towards mid-block crossings of 400-series highways by local collector roads are responsible for compliance with the requirements of this policy.

REFERENCE:

Draft Approval (Transportation and Works Committee Report 2, Clause 8, February 16, 2006)

CONTACT:

General Manager, Roads – Transportation and Works Department

APPROVAL INFORMATION

CAO Approval Date: TBD

Committee: Transportation and Works **Clause:** TBD **Report No:** TBD

Council Approval: TBD **Minute No.** TBD **Page:** TBD **Date:** TBD