

7
HIGHWAY 7 TRANSFER
MAIN STREET (MARKHAM) TO REESOR ROAD
TOWN OF MARKHAM

The Transportation and Works Committee recommends:

- 1. The recommendations contained in the following report, August 23, 2006, from the Commissioner of Transportation and Works be adopted, subject to adding Recommendation 4 as follows:**
 - “4. Until the Region of York fully assumes Highway 7 between Main Street (Markham) and 300 metres east of Reesor Road, MTO be requested to agree to application of Regional development standards with respect to building setback and intersection and signal spacing requirements.”**

1. RECOMMENDATIONS

It is recommended that:

1. Highway 7 between Main Street (Markham) and 300 metres east of Reesor Road, in the Town of Markham, be assumed into the Regional road system and be designated as Highway 7 (Y.R. 7), effective April 1, 2007 pending satisfactory negotiations with the Ministry of Transportation Ontario for capital improvements and maintenance funding for a five-year period.
2. The Regional Chair and Regional Clerk be authorized to sign the necessary agreements, once received from the Ministry of Transportation, subject to review by Legal Services.
3. The Regional Solicitor prepare the necessary amendment to the Road Consolidation By-law R-1107-96-126 to include the new section of Highway 7, as outlined in Recommendation 1.

2. PURPOSE

The purpose of this report is to consider the assumption of Highway 7 from Main Street (Markham) to 300 metres east of Reesor Road, in the Town of Markham into the Regional road system pending satisfactory negotiations with the Ministry of Transportation for capital improvements and maintenance funding for a five-year period.

3. BACKGROUND

At its meeting of April 6, 2005, the Transportation and Works Committee considered a report regarding Provincial Highway Transfers authorizing staff to enter into negotiations with the Ministry of Transportation for the possible transfer of Highway 7 from Highway 48 to the new Markham By-pass.

In addition, a resolution dated March 21, 2006, has been received from the Town of Markham to expedite the transfer of jurisdiction of the section of Highway 7 from Ninth Line to Reesor Road (*see Attachment 1*) to the Region in order to apply Regional arterial road standards to facilitate the development of a compact, mixed-use pedestrian-friendly and transit-supportive node along this section of Highway 7 in accordance with Provincial and Regional policy.

Since 1994, a considerable length of formerly Provincial highway has been transferred to York Region including:

- Highway 48 (Markham Road), Steeles Avenue to Princess Street – 3.26 km
- Highway 11 (Yonge Street), Steeles Avenue to Simcoe County – 31.3 km
- Highway 7, Highway 50 to Main Street, Markham – 32.6km
- Highway 27, Steeles Avenue to Highway 9 – 28.9 km
- Highway 50, Steeles Ave to Mayfield Road – 11.8 km
- Highway 9, Yonge Street to Highway 400 – 9.6 km

The portion of Highway 7 that is currently under Regional jurisdiction was transferred from the Ministry of Transportation in three stages. The first stage from Highway 50 to Highway 404 was transferred on April 1, 1997. The second stage from Highway 404 to McCowan Road was transferred on April 1, 1999 and the third stage from McCowan Road to Main Street (Markham) was transferred on September 1, 1999. All of these sections of Highway 7 were transferred with no financial compensation for future maintenance or capital improvement needs.

4. ANALYSIS AND OPTIONS

When Highway 407 was being constructed, the Ministry of Transportation indicated that, as sections of the new highway opened to traffic, the adjacent section of Highway 7 would be considered for transfer to the Region. Up to now, the Ministry of Transportation has transferred Highway 7 to the Region from Highway 50 in the west, to Main Street (Markham) in the east. Although the section of Highway 407 east of Main Street (Markham) has been completed for some time, the Ministry of Transportation has not transferred the section of Highway 7 from Main Street (Markham) to the York/Durham boundary.

Part of the reason for this is the proposed development of the North Pickering (Seaton) area and the Greater Toronto Airport Authority (GTAA) having released plans for the development of the Pickering Airport lands to the north of the Seaton area. Also, given the forecasted population and employment numbers for this area, there are significant east/west transportation issues that must be resolved prior to the subject lands being designated for urban uses. To date, no comprehensive analysis of transportation needs in terms of facilities, timing and funding of new road and transit infrastructure for York and Durham Regions has been presented.

The Province has recently initiated a Durham-York Transportation study to review the transportation requirements for this area which includes the section of Highway 7 from Reesor Road to York/Durham Line. Ministry staff have however, indicated that the Ministry may be amenable to negotiating a mutually acceptable plan to transfer the section of Highway 7 from Main Street (Markham) to the Markham By-pass or Reesor Road to the Region.

This section of Highway 7 performs a Regional function and would form part of the rapid transit route in the future. It does, however, require major capital works to improve the intersection at Reesor Road and resurface it in the near future.

It is, therefore, proposed that Regional staff enter into negotiations with the Ministry of Transportation for the transfer of the portion of Highway 7 from Main Street (Markham) to 300 metres east of Reesor Road (approximately 4.1 kilometres) in the Town of Markham. The following conditions should guide these discussions:

- The Ministry of Transportation provide the Region with funds to cover the cost of:
 - Maintaining the road for a period of five years.
 - Resurfacing of Highway 7 from Highway 48 to Ninth Line.
 - Intersection improvement at Reesor Road.

The Regional Chair and Regional Clerk be authorized to sign the necessary agreements, subject to review by Legal Services, pending satisfactory negotiations with the Ministry of Transportation for capital improvements, and maintenance funding for a five-year period.

If there is a transfer, it is proposed that any funds received from the Ministry of Transportation should be retained in a transfer reserve fund to meet the ongoing operations and construction needs for the transferred highway. By reducing the annual draw on these limited reserves, the financial impacts on the tax levy budget for maintaining the additional road can be phased in over a reasonable period. Similar reserve funds were established to receive the Provincial compensation for Highway 11 (Yonge Street) and Highway 48 (Markham Road), south of Highway 7.

5. FINANCIAL IMPLICATIONS

There are financial implications resulting from the proposed transfer of Highway 7 from Main Street (Markham) to 300 metres east of Reesor Road. For the first five years, the costs will be minimal if the requested funds are received. After the first five years, for each new lane kilometre of road assumed into the Regional road system, there is an immediate corresponding operation and maintenance cost. The operating and maintenance cost is currently \$7,198/lane km (all tax levy) which would result in an annual increase of \$120,000. This value is based on the costs detailed in the 2006 Operating Budget.

The growth-related portion of the future capital cost would have to be included in any future Development Charge By-law updates to partially cover the reconstruction and widening costs. The cost apportionment is typically 76.5% development charges and 23.5% tax levy for any future capital cost of reconstruction and/or widening.

6. LOCAL MUNICIPAL IMPACT

The Town of Markham wishes to expedite the transfer of jurisdiction of the section of Highway 7 from Ninth Line to Reesor Road to the Region in order to apply Regional arterial road standards to facilitate the development of a compact, mixed-use pedestrian-friendly and transit-supportive node along this section of Highway 7 in accordance with Provincial and Regional policy.

7. CONCLUSION

The section of Highway 7 from Main Street (Markham) to 300 metres east of Reesor Road is the subject of discussion between the Ministry of Transportation and the Region. This road performs more of a Regional than a Provincial function and therefore it makes sense to consider the transfer.

It is, therefore, proposed that the Region enter into negotiations with the Ministry of Transportation for the transfer of the portion of Highway 7 from Main Street (Markham) to 300 metres east of Reesor Road (approximately 4.1 kilometres) in the Town of Markham pending satisfactory negotiations for capital improvements and maintenance funding for a five-year period.

The Senior Management Group has reviewed this report.

(The attachment referred to in this clause is attached to this report.)