

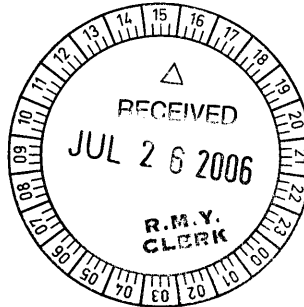
Celebrating 130 Years

Town of Richmond Hill

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www.richmondhill.ca

July 20, 2006

Denis Kelly, Regional Clerk
The Regional Municipality of York
17250 Yonge Street
P.O. Box 147
Newmarket, ON L3Y 6Z1



**REGION OF YORK
CLERK'S OFFICE**

FILE No. - *fol*

Dear Mr. Kelly:

Re: Funding of Collector Road Crossings of 400-Series Highways - Draft Regional Policy - (SRE.06.038)

Richmond Hill Town Council, at its meeting on May 23, 2006, approved the following recommendation:

- " a) That the policy and funding formula associated with Option 5 (bridge and infrastructure to closest street) be endorsed in principle as the cost sharing mechanism between the Region and Local Municipalities for 400-Series Highway mid block crossings as detailed in SRE.06.038;
- b) That the Region of York be requested to amend their Regional Policy for the funding of mid block Collector Road Crossings of 400-Series Highways to include provision for their financial participation and to become an equal partner to an agreement with MTO and/or the 407 group for the rehabilitation and replacement of the mid block collector road crossings of the Highway 404 up to one third of the cost as discussed in SRE.06.038;
- c) That in order to avoid up fronting the entire project costs by the leading municipality, the Region be requested to amend the Regional Policy so that the participating funding partners including the Region forward their share of the proposed funding in advance of the construction to the municipal partner which becomes the project manager;
- d) That given that illumination and traffic signals are considered part of the overall project and are necessary for the road to function safely, that the Region be requested to amend the Regional Policy so that illumination and traffic signals are equally shared amongst the funding partners;
- e) That copies of SRE.06.038 and Council resolution be forwarded to the Region of York and the Town of Markham."

(continued)



Proud Communities in Bloom Participant

Denis Kelly, Regional Clerk
July 20, 2006
Page 2

This resolution was passed by Richmond Hill Council in late-May, however there has been a delay in sending this information to your office due to the item being missed as part of the regular Council follow-up. Please accept my apologies for this delay.

In accordance with Council's directive, I am now forwarding to your attention a copy of the staff report (SRE.06.038) prepared by the Town's Engineering and Public Works Department, with respect to the funding of Collector Road Crossings of 400-Series Highways and the draft Regional Policy.

If you require further information, please contact Marcel Lanteigne, Manager of Transportation, Traffic and Site Plans, at (905) 771-2456.

Sincerely,



Gloria Collier
Assistant Clerk

cc: S. Birrell, Clerk, The Town of Markham
I. Brutto, Commissioner of Engineering and Public Works
M. Lanteigne, Manager of Transportation, Traffic and Site Plans



TOWN OF RICHMOND HILL

COMMITTEE OF THE WHOLE

May 15, 2006

SRE.06.038

Engineering and Public Works

Transportation, Environmental and Development Engineering

SUBJECT: Funding of Collector Road Crossings of 400-Series Highways, Draft Regional Policy, (SRE.06.038)

PURPOSE:

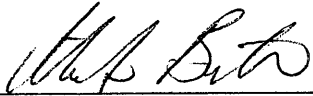
To respond to a request by the Region of York for comments on their "draft" policy for funding of "mid block" collector road crossings (flyovers) of 400-Series Highways.

RECOMMENDATIONS:

- a) That the policy and funding formula associated with Option 5 (bridge and infrastructure to closest street) be endorsed in principle as the cost sharing mechanism between the Region and Local Municipalities for 400-Series Highway mid block crossings as detailed in this staff report.
- b) That the Region of York be requested to amend their Regional Policy for the funding of mid block Collector Road Crossings of 400-Series Highways to include provision for their financial participation and to become an equal partner to an agreement with MTO and/or the 407 group for the rehabilitation and replacement of the mid block collector road crossings of the Highway 404 up to one third of the cost as discussed in this staff report.
- c) That in order to avoid up fronting the entire project costs by the leading municipality, the Region be requested to amend the Regional Policy so that the participating funding partners including the Region forward their share of the proposed funding in advance of the construction to the municipal partner which becomes the project manager.
- d) That given that illumination and traffic signals are considered part of the overall project and are necessary for the road to function safely, that the Region be requested to amend the Regional Policy so that illumination and traffic signals are equally shared amongst the funding partners.
- e) That copies of staff report SRE.06.038 and Council resolution be forwarded the Region of York and the Town of Markham.

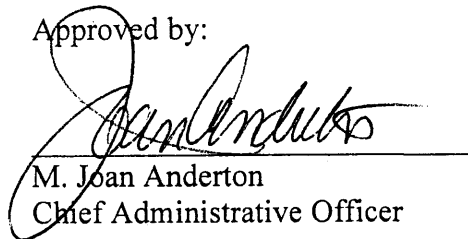
Contact: Marcel Lanteigne, Ext 2456

Submitted by:



Italo Brutto, P. Eng.
Commissioner of Engineering and Public Works

Approved by:



M. Joan Anderton
Chief Administrative Officer

BACKGROUND:

Given the growth pressures on the road network within the Beaver Creek Business Park east of Leslie Street the significant congestion which is already being experienced on the surrounding Regional roads, the local municipalities recognized a need to create a mid block collector (flyover) crossing of Highway 404 north of Highway 7. Based on this experience this recommendation is also being projected to the employment lands within the Bayview North-East Secondary plan lands resulting in second flyover north of Major MacKenzie Drive.

Both of these Highway 404 mid block crossings (flyovers) are recommended as part of a strategy to reduce congestion on arterial/Regional roads servicing the employment areas of the Town in addition to improving the marketability and attractiveness of those employment lands to businesses. In addition, providing mid block collector roads will assist at maintaining the width of existing arterial/Regional roads to a human scale that facilitates pedestrian's movement and still maintains traffic circulation during peak periods.

The mid block Highway 404 flyovers are to be the responsibility of the area municipalities as the approach roadways will be owned by the municipalities. However, as noted above, the Region will benefit from the additional mid block crossings because these crossings will add to the Regional road network capacity. As such, the Region of York is interested in sharing the cost of implementing the mid block crossings to ensure that these mid block crossings are constructed.

The current Regional funding formula for 400-Series mid block crossings is unclear as to what part of the crossing qualifies for funding. To address this problem, the Region reviewed a number of funding options and has discussed those options with local municipal staff. Regional staff prepared a staff report for Regional Council and are requesting comments from Municipalities. See Appendix I. The proposed funding options as well as funding policy are described below.

Proposed Policy, Funding Formula and Cost Sharing of Mid Block Flyovers

A total of five funding options were developed by the Region of York and were reviewed with municipal staff to see if additional options could be considered. The five options are:

1. Fixed Funding
2. Bridge Structure only
3. Fixed Distance from Centre of Bridge
4. All infrastructure
5. Bridge and Infrastructure to Closest street

The Region is recommending option 5 which would be 1/3 of the cost of constructing the bridges and the infrastructure to the closest street. Staff have no objection in principle to utilizing option 5 for the funding formula between the Region and the local municipalities, but Town staff are requesting that some of the infrastructure items that were excluded from the funding formula noted below be included as part of the cost sharing formula.

As noted above, some items that are generally covered by the local municipalities on typical road projects have been excluded from the funding formula recommended. It is the Region's position that since approach roadways will be owned by the local municipalities the flyover facility should be owned by the local municipalities. The excluded infrastructure items are listed as a.) to g.) below.

Staff recommend that illumination and traffic signals be part of the overall project requirements and be equally shared between all participating parties. Also, items g.) and h.), that have been excluded from the funding formula should not be the sole responsibility of the local municipalities since these mid block flyover(s) will benefit the Region by providing additional roadway capacity across 400-Series Highways and the cost of these items can be significant. Items g.) and h.) are discussed under "*Ministry of Transportation*" and "*The Hwy 407 Group*" further in this staff report.

- a. Sidewalks
- b. Local municipal watermain/sanitary sewer services
- c. Signage
- d. Illumination
- e. Traffic signals
- f. Streetscaping
- g. Maintenance agreement with MTO and Hwy 407 as required
- h. Legal agreements

Table 1 (see Appendix 2) provides a summary of what items Town staff believe should be included as part of the funding formula between the Region and the local municipalities in comparison to what Regional staff are proposing as being eligible for Regional funding.

Perquisites prior to Regional Funding

The Region of York has established the following funding requirements to be met by the local municipalities:

- Local Municipal Council resolution for award of contract.
- Copies of awarded contract.
- Copies of payment certificates made to contractor.

Based on the funding criteria noted staff are concerned that the municipalities will have to upfront the cost of the project. Staff recommend that a project account be set-up ahead of time which would include the 1/3 funding from each municipal partner which would be used by the project manager to cover the ongoing project and construction costs.

D.C and O.P Requirements to trigger 'Schedule G' of Regional D.C. Background Study

The Region also requires that the mid block crossings be included in the following documents so that the cost can be included in the Region D.C. By-law:

- Respective municipal development charges by-law; and,
- The official plan through an OP amendment if necessary.

Currently two of the Highway 404 mid block crossings (flyovers) are in the Town's Town wide development charges by-law. These two crossings are:

- Highway 404 mid block crossing between Highway 7 and 16th Avenue; and,
- Highway 404 mid block crossing between Major Mackenzie Drive and Elgin Mills Road

Neither of the two crossings are in the respective secondary plans or in the Town's Official Plan. As such, to ensure that funding is available for the Highway 404 mid block crossings, an amendment to the Official Plan or to the respective secondary plans will have to be made. This amendment can be made at the time of the update to the Town's official plan scheduled to be done in 2007.

Ministry of Transportation

Once the structure (i.e. flyover) has been constructed over the highway, it is anticipated that the Ministry of Transportation will take over the ownership of the bridge. However, the regular inspections (every two years) and the cost of the rehabilitation and replacement of the bridge will have to be funded and undertaken by the respective proponent municipalities. As such, the Ministry of Transportation will require that the participating municipalities enter into an agreement with the Province so that regular inspections, rehabilitation activities and replacement be undertaken to MTO standard. It's estimated that the regular inspection conducted every 2 years will be in the order of \$1500.00 and would be done on behalf of the MTO by a consulting engineering firm.

The cost of the rehabilitation will be in the order of \$1,300.00 per sq meter and generally occurs every 25 to 30 years over the life of the bridge while bridge replacement could occur every 110 years (+/-). Based on the span of 140m the proposed structure north of Highway 7, the apportioned rehabilitation cost for each structure is estimated to be \$90,000 per year if the current Regional policy is adopted where Markham and Richmond Hill would share in ½ of the costs.

Because this rehabilitation and replacement cost can be substantial, and given that the mid block crossing will be of significant benefit to the Region in addressing east-west Regional road capacity deficiencies along their Regional corridors, and to be consistent with the agreed 1/3 construction funding for each proponent, the Region should be participating as an equal proponent partner in the financial cost of rehabilitating and replacement of the mid block flyovers and be a signatory to the MTO agreement. Amending the Regional policy to account for this change would reduce the apportioned rehabilitation and replacement cost for each structure from \$90,000 to \$60,000 per year and the costs would be shared between the three municipalities namely Markham, Richmond Hill and the Region.

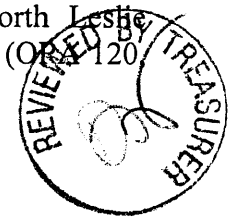
The Hwy 407 Group

Through the environmental assessment study process, it was noted that a portion of the proposed Hwy. 404 flyover north of Highway 7, will encroach on the Hwy 407 ramps. As such, a maintenance agreement will also have to be entered into with the Hwy 407 Group for the construction and maintenance of the flyover. As noted above, it's the position of staff that because the Hwy. 404 flyover will have significant benefits to the Region of York, that the Region also be an equal proponent partner on the agreement with the Hwy 407 Group.

Required Changes to Table 1 of the Regional Staff Report

Table 1, Project Status Table, of the Regional Staff report refers to project number 4 as Hwy 404 North of Hwy 7 (Bayview, northeast Business Park). Project number 4 Hwy 404 North of Hwy 7 should be referred to as (OPA 1, Beaver Creek Business Park).

In addition, project number 5, Hwy 404 North of Major Mackenzie Drive (North Leslie Secondary Plan) should be referred to as Hwy 404 North of Major Mackenzie Drive (OPA 120 Bayview North-East Secondary Plan).



FINANCIAL/STAFFING/OTHER IMPLICATIONS:

Cost of constructing each of the two flyovers noted above has been estimated at \$14,303,850 (2006) including property acquisition, contingency, and engineering. Through discussions with the Region of York and the Town of Markham, it has been conceptually agreed to split the costs of construction in three equal shares among the participating parties – Towns of Richmond Hill and Markham and, the Region of York. This amounts to \$4,767,950 for each participant and will be reflective of the cost sharing agreement for other flyovers. Cost for the environmental assessment studies and design for the two crossings has been accounted for at 100% in the Town Wide Development Charges By-Law.

Funding for the two flyovers north of Highway 7 (Beaver Creek Business Park) and north of Major Mackenzie Drive (Bayview North-East) has been taken into account in the Townwide Development Charge By-law. Only the growth component, which amounts to 29.9% of the Town's share of the cost, has been included in the Charge. This results in \$1,425,617 available for funding for each flyover. Funding sources for the remaining \$3,342,333 of the Town's share of the cost are yet to be finalized. Finance staff recommend that the Federal Gas Tax funding be applied to this project, as it meets the restrictive criteria for use of these funds. This project will be included in the 10-year capital and funding plan to be presented to Budget Committee of the Whole before the summer recess.

The regular inspection and maintenance of the bridges will be included in the operating account of the Maintenance and Operation Division. Funding for the rehabilitation and replacement of the bridge should be an ongoing infrastructure expense whereby monies are placed aside every year into an account for the Highway 404 mid block structures and be calculated at one third of the rehabilitation and replacement cost with the Region and the Town of Markham paying the other two thirds as discussed in this report.

RELATIONSHIP TO THE STRATEGIC PLAN:

The recommendation of this report improves our transportation system and demonstrates innovative and responsible municipal management. It will also expand our economic opportunities as well as enhancing our healthy and safe community by distributing traffic on several routes while keeping to a minimum the widening of intersections for pedestrians and cyclists.

CONCLUSION:

Staff have reviewed the draft Regional staff report entitled "Regional Policy, Funding Collector Road Crossings of 400-Series Highways" and support Funding Option 5 for the funding of mid block collector roads crossing 400-series highways including the cost sharing of the additional components as noted in Table 1 (see Appendix 1) of SRE.06.038 under the column titled "Town of Richmond Hill, Eligible". In addition given the equal benefit to all three municipalities as evidenced by the 1/3 construction funding made, staff request that the Region of York amend their draft noted policy document to require Regional participation in the ongoing rehabilitation and replacement costs of the mid block crossing.

Staff are also requesting that changes be made to Table 1 of the Regional staff report to reflect the changes noted in this report.

ML/pm

Attachment – Appendix I, Appendix 2

THE REGIONAL MUNICIPALITY OF YORK

Transportation and Works Committee
February 1, 2006
Report of the
Commissioner of Transportation and Works
and
Commissioner of Finance

REGIONAL POLICY FUNDING COLLECTOR ROAD CROSSINGS OF 400-SERIES HIGHWAYS

1. RECOMMENDATIONS

It is recommended that:

1. Council endorse the draft policy, procedures and criteria outlined in this report.
2. Copies of this report be forwarded by the Regional Clerk to the Clerks of the local municipalities to advise them of this policy and ask for formal comments by May 31, 2006.
3. A final policy be brought forward to Regional Council following receipt of comments from the local municipalities.

2. PURPOSE

The purpose of this report is to:

- Provide clarification to the local municipalities regarding the Region's Development Charge (DC) funding formula for collector road crossings of 400-series highways.
- Establish a policy and necessary procedures to define the extent of a project that will be eligible for Regional contribution.
- Establish procedures required for the enactment of the contingent development charges for collector road crossing of 400-series highways.

3. BACKGROUND

The Regional Official Plan contains a number of policies (Sections 5.2.7d, 6.1.15) to encourage the planning and implementation of continuous mid-concession block collector roads. Currently, the Regional arterial roads in the vicinity of the 400-series highways are experiencing considerable traffic congestion.

The issue of continuous local municipal collector roads was presented to Regional Council in May 2003, as it particularly related to the cost of providing collector road crossings of the 400-series highways. In that report a dozen potential collector road crossings were noted, which, when built, would substantially improve the performance of the Regional road system and the provision of transit services.

Jurisdictional responsibility for the construction and ongoing maintenance for these mid-block collector highway crossings is a local municipal responsibility. These highway crossings provide direct tangible benefits to York Region, such as:

- Provision of additional transportation capacity to relieve expansion pressures on nearby Regional arterial roads.
- Complementary to Regional transit investments.
- Support of the Region's intensification goals.

It is therefore appropriate to consider Regional contribution to these projects.

In this regard, funding for one third of the capital cost of these overpasses/underpasses was conditionally included in the 2003 Regional Development Charge By-law. There are nine projects identified in the DC By-law, five of which are in the approved 2006-10 year Capital Program. Table 1 identifies the status of the five projects while Attachment 1 shows their location.

Table 1
Project Status Table

Project	Municipality	Project Status
1 Hwy 400 Crossing at Portage Parkway (formerly Applewood Cres.)	City of Vaughan	• Contract tendered March 2005 • Construction on hold • Awaiting MTO approvals • Expect construction cost increases
2 Hwy 407 Crossing at Rodick Road (between Woodbine Ave and Warden Ave)	Town of Markham	• Project currently under construction • Approval negotiations underway with MTO and TRCA • Agreement negotiations underway with Hwy 407 ETR
3 Hwy 407 Crossing at Birchmount Road (between Warden Avenue and Kennedy Road)	Town of Markham	• Hwy structure complete - built with 407/ETR (1998) • Detailed design complete • Property acquisition, agency approvals and utility relocations awaiting Town Council approval to proceed • Expected tender 2007 with 2-year construction window
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 underway • Expect project tender in 2007-2008
5 Hwy 404 North of Major Mackenzie Drive (North Leslie Secondary Plan)	Town of Markham and Town of Richmond Hill	• Project not yet started • Environmental Assessment to commence 2006/2007.

At the present time, two of these projects (Applewood Crescent/Portage Parkway at Highway 400 and Rodick Road at Highway 407) are under construction and requests have been received from the local municipalities for the Region's one-third contribution to the costs of these projects. These two projects, in addition to Highway 407 and Birchmount Road have met the conditions noted in the DC By-law (that the local

municipality adopt an Official Plan Amendment which includes the crossing(s) and adds the infrastructure cost to its DC By-law). As a result, Regional development charges for these three crossings will become effective on January 30, 2006

4. ANALYSIS AND OPTIONS

4.1 Current Situation

The Region and the local municipalities need a clear and transparent formula for capital budget planning purposes for these collector road crossing projects. Currently, there is no clear policy of what exactly are eligible costs (i.e. bridge infrastructure, municipal roadway connections, new or modified traffic signals that may be required, municipal intersection improvements, property, contract administration, approvals, tender, award, contract administration and construction) for the Region's one-third financial commitment to municipal collector road crossings of 400-series highways.

The policy approved during the 2003 DC By-law review and included in the background study supporting the DC By-law states that "the Region agree to provide funding for one-third of the capital cost of these overpasses" and that "the cost of the overpass would only be included in the Regional DC By-law once the local municipality has adopted an Official Plan Amendment and included the infrastructure in its DC By-law". It does not specify or define the project limits that would be eligible for Regional funding contribution, or what components of the project would be eligible for funding. Hence, a Regional policy is required.

Further, a procedural mechanism is required to advise the local municipalities of how and when to notify the Region when the requirements of the contingent development charges have been met. If these requirements are not met, the Regional DC By-law would not be triggered and the Region would not fund the project with Development Charge "DC" funds.

4.2 Policy Benefits

There are a number of benefits to York Region and the local municipalities from the implementation of these collector crossings of 400-series highways. The creation of a better transportation network creates additional capacity, robustness and flexibility and supports transit by optimizing access to transit services. In addition, it will reduce traffic congestion on adjacent arterial roads and provides options for the provision of emergency services. The timely completion of these mid-block highway crossings will potentially defer significant expenditures by York Region on adjacent arterial roads. The construction of the mid-block crossing is critical to support the Region's intensification goals and has been clearly identified in the Official Plan. Most of the crossings also connect employment areas flanking each side of the 400-series highway and provide integration opportunities for growth of related businesses.

4.3 Funding Policy Objectives

The funding policy proposed in section 4.4 and 4.5 addresses the following objectives:

- The adoption of a defensible / transparent decision making process.
- A fair set of rules applied consistently in all local municipalities.
- Clear definition of eligible versus non-eligible cost items for the Regional contribution.

4.4 Funding Options

Local municipal roadway extensions and associated infrastructure (sidewalks, illumination, property requirements, storm sewers, etc.) are required to connect the existing municipal road system to the proposed overpass/underpass structures. Hence, defining the project limit for the Region's commitment must be addressed and forms the key basis for the funding policy. It answers the first of two key questions:

1. What is the "partnership project" that is required to ensure the critical connection is made to benefit York Region?
2. What project cost items are eligible for Regional contribution?

The second question is answered in section 4.5.

The guiding principles used when evaluating the funding options and eligibility criteria are as follows:

- Road connection must be achieved between arterial (i.e. Regional) roads.
- Anticipated deferral of expenditures on adjacent Regional roads.
- Respect existing jurisdictional responsibilities between local and Regional governments.
- Should constitute a fair and transparent rationale for supporting the Region's participation in each local municipality.

Five funding options have been considered and are evaluated in the following sections. The five options are:

1. Fixed Funding.
2. Bridge Structure Only.
3. Fixed Distance from Centre of Bridge.
4. All Infrastructure.
5. Bridge and Infrastructure to Closest Street.

4.4.1 Fixed Funding

This option identifies a fixed-average dollar amount for each highway crossing and limits York Region's contribution to this predetermined amount. The basis for this option would be the funding that was included in the 2003 DC Bylaw. In that document, the Region's one-third contribution was estimated at \$3.33M per crossing with the exception of two crossings (Portage Parkway crossing of Highway 400 and Highway 404 crossing north of Highway 7) which were both slightly higher at \$4.3M for a total funding commitment of \$31.1M for the nine crossings.

Although this option is the easiest to administer for staff as well as providing certainty with respect to the Region's funding commitment, it is difficult to rationalize the Regional funding contribution on the basis of the estimates identified in the 2003 DC By-law. Due to the degree of variation of scope on each project (i.e. railway crossing, water crossing etc.) the costs of the project may vary and as such the average \$3.3M per project may not accurately reflect one-third of the crossing's costs. Also, since a key guiding principle is to provide sufficient funds to ensure the road connection is made, we are unable in this option to do so by providing an average cost contribution.

This option does not direct the local municipality on what project items should be funded and as such the Region may be paying in some cases for what is deemed a local municipal responsibility.

For these reasons this option is not recommended as the preferred funding option.

4.4.2 Bridge Structure Only

This option would have the Region only contribute one-third of the cost of the bridge structure. This option separates the local municipal responsibility of constructing the local collector road up to and including the approach grades to the bridge.

This option would not ensure that the link between Regional arterial roads is completed. Also, the cost of funding only the bridge is such that in most cases, the Region's contribution is much less than the originally envisioned one-third cost. Although, this option is the least expensive to the Region and maintains as much of the local municipal jurisdiction for the collector roads as possible, it is not recommended by staff.

4.4.3 Bridge Plus Fixed Distance

This option consists of the Region contributing one-third of the cost of the bridge plus selecting an arbitrary distance on either side of the bridge.

In this option, although staff believe it is reasonable for the costs of the bridge to be shared, the arbitrary determination of a fixed distance as a general rule is difficult to defend when the fixed distance is applied to each crossing location. Due to the nature of the existing conditions at the crossings, some local municipalities may be subject to a larger percentage of the Region's contribution.

In addition, this option does not ensure that the link between the arterial roads is completed and it is difficult to rationalize what distance is selected. For these reasons staff is not recommending this funding option.

4.4.4 All Infrastructure

This option considers the Region's one-third contribution to include all works that are required to complete the network link between the two adjacent arterial roads. This option does ensure that the full road connection over the highway and connecting to the arterial roads can be made.

This option would include the Region participating in any widenings of the local municipal road network that may already exist. This begins to raise the question of jurisdictional responsibility of servicing the adjacent land uses.

In preliminary discussions with staff at some of the local municipalities, it appears that this is the interpretation they have of the Region's one-third contribution, however York Region staff believe that this jurisdictional issue is difficult to rationalize and as such is not recommended as the preferred funding option.

4.4.5 Bridge Plus Distance to Closest Street

This option would include York Region contributing to one-third of the cost of the bridge, plus the roadworks to a point at which a local municipal road either exists, or is planned as part of a plan of subdivision.

This option ensures that the physical road network connection is completed since the Region's contribution ensures the project connects to an existing or planned roadway. This would avoid encroaching on the jurisdictional issues of widening local municipal infrastructure. This, in staff's opinion, is the key difference between this option and option 4.4.4 (All Infrastructure). As well, it makes this option more fair/transparent than the other options and is why it is being recommended as the preferred funding option.

To ensure the connection between the two adjacent arterial roads provides a substantial Regional benefit, York Region will require that the planned highway crossings are constructed to a four lane collector road cross-section.

The partnership project is therefore defined to include the bridge plus whatever distance it takes to connect to the local collector road. In meetings with local municipal staff, they have indicated that they believe this option is fair and reasonable and acceptable to them.

4.4.6 Cost Comparison of Funding Options

Currently, only two of the projects have construction contracts awarded and as such detailed project costs are available only for these projects. General project cost estimates are available for the remaining seven projects. Five have not yet begun, one is scheduled for 2006 construction and one has Environmental Assessment approval. We have worked closely with local municipal staff to secure project cost estimates but due to the relative infancy of these projects, only preliminary estimates are available. Table 2 outlines the Region's expected contributions for the recommended funding option.

Table 2
Financial Comparison of Options

Project Description	Option 1	Option 2	Option 3	Option 4	Option 5
	Fixed Funding	Bridge Structure Costs Only	Fixed Length of Road from Bridge Centre line (200m)	All infrastructure (Entire Project Limits)	Bridge plus distance to Closest Street
Projects in 10 Year Program	\$17.80	\$7.0	\$11.0	\$18.0	\$17.0
Projects Beyond 10 Year Program	13.30	4.0	9.0	12.0	10.0
Grand Total	\$31.91	\$11.0	\$20.0	\$30.0	\$27.0

Note: Costs in Millions. Costs represent Region's one-third funding.

4.5 Eligible / Non Eligible Project Cost Items

This section describes what staff believe to be a fair, defensible basis for what specific project cost items are deemed to be eligible for the Region's contribution within the defined partnerships with our local municipalities.

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

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

Table 3 provides a summary of the items.

Table 3
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>		
<u>Roadworks</u>		
• Curb/granulars/asphalt	✓	
• Storm sewers	✓	
• Sidewalk		✓
• Local municipal watermain/sanitary sewer services		✓
• Signage		✓
<u>Structural Work</u>		
• Standard highway, railway, water crossing	✓	
<u>Electrical</u>		
• Illumination		✓
• Traffic signals		✓
<u>Streetscaping</u>		✓
<u>Other</u>		
• Maintenance agreements – 407, MTO		✓
• Legal agreements		✓
• Utilities relocations	✓	
• Property	✓	

This list is provided as a general categorization of the majority of project cost items. Any specific items that arise on individual projects and are not easily related to this list shall be subject to discussions and agreement between staff at the Municipal/ Regional level. If staff are unable to resolve any differences, a report will be brought forward to Regional Council for direction. Also, it is recommended that the Region not fund any retroactive works that have been completed prior to the adoption of the inclusion list noted in the 2003 Development Charges By-law.

As the local municipalities come forward and request payment of the Regional contribution, it is critical that well defined steps are documented to be clear on the Region's expectations. These processes are currently being developed and include requirements such as:

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

4.6 Relationship to Vision 2026

The concept of a diverse and better road network of local and Regional roads that will support transit services and provide optimum flexibility for general traffic is an essential element of the vision for the mature community. Every effort should be made by the Region to ensure the local municipalities achieve this vision. The overall benefits to both the Region and each local municipality include improving the transit network and relieving traffic congestion on the Regional road network at the 400-series highways.

5. FINANCIAL IMPLICATIONS

Based on the approval by Regional Council for funding support for highway crossings, the Region's DC By-law includes \$31.1M, which represents a one-third share of the cost of these nine projects. Our preliminary estimate of the value of the work that will constitute York Region's contribution for all the projects is approximately \$27 to \$30M, which, given the very preliminary nature of most of the estimates, is consistent with the amount currently included in the DC By-law. The Region's contribution for projects identified in the approved 2006 10 Year Plan is approximately \$17 to \$20M. This money has been budgeted in the capital program and is funded at a rate of 76.5% DC, 23.5% tax levy.

To ensure that the cost of approved overpasses has been included in the Region's DC By-law such that the Region can collect sufficient DC's to contribute towards the cost of the infrastructure, the following Municipal notification protocol is recommended:

Upon adoption of the local OPA and inclusion of the municipal road crossing of the 400-series highway into the local DC By-law, the local municipality must notify the Regional Municipality of York that these two criteria have been met and the local municipality must provide evidence to the Region to support this claim. These criteria will trigger the adoption of 'Schedule G' as per the 2003 Development Charge Background Study so that the cost of the overpass/underpass can be included in the Regional DC By-law.

If the conditions have been met to the satisfaction of the Regional Treasurer, the Finance Department 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 been given notice.

In accordance with 'Schedule G' of the DC By-law, inclusion of the Applewood/Portage crossing, Birchmount Road and Rodick Road overpasses has resulted in an increase to the road component of the Regional DC of \$30 per single family dwelling effective January 30, 2006. As part of the 2006 Development Charges Update, the residential development charge component for collector road crossings of 400-series highways will be reviewed and updated as required.

6. LOCAL MUNICIPAL IMPACT

The local municipalities recognize the benefits of continuous collector roads and support the Region's proposal for financial contribution for new municipal 400-series highway crossings. To date, two mid-block crossings are under construction (Rodick Road at Highway 407 in Markham and Portage Parkway at Highway 400 in Vaughan). Another crossing is slated to start next year in Markham (Birchmount Road at Highway 407) and one has Environmental Assessment approval (Highway 404 crossing north of Highway 7 – Richmond Hill and Markham) and is scheduled for construction in 2007. The current status of these crossings is noted in Table 1.

There is a compelling need from the local municipal standpoint to obtain the Region's funding commitment as soon as possible.

The recommended policy as detailed in this report defines the process to determine the extent of Regional funding applicable in each municipality based on fair and rational criteria. The policy will assist local municipalities and the Region in budgeting for additional future collector road crossings of 400-series Highways.

York Region staff have met with staff from the local municipalities at various points in the development of this policy. Although staff have not been able to share with them our preferred funding policy pending Council endorsement of this report, local staff were comfortable with the options that were being considered and will provide formal comments on the draft policy before May 2006 so that Regional Council can finalize the policy before September 2006.

7. CONCLUSION

Regional funding of municipal collector road crossings of 400-series highways directly benefits the Region in terms of transit and provides some traffic relief on nearby Regional roads. The funding policy that is recommended will cover the bridge structure and associated works to a point where the roadway matches an existing or planned municipal road on each side of the 400-series highway. Two projects are currently under construction and the approval of this policy and the enactment of the contingency DC By-law will allow the Region to contribute to these critical components of our integrated transportation network in partnership with the local municipalities.

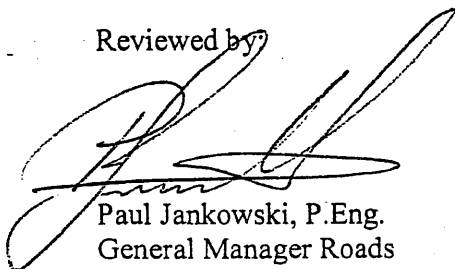
The Senior Management Group has reviewed this report.

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Recommended by:



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Reviewed by:



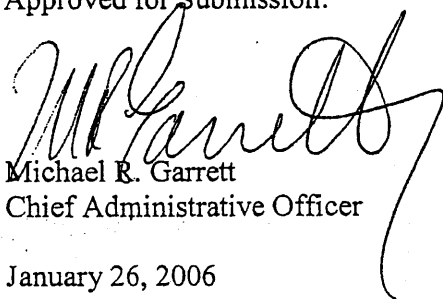
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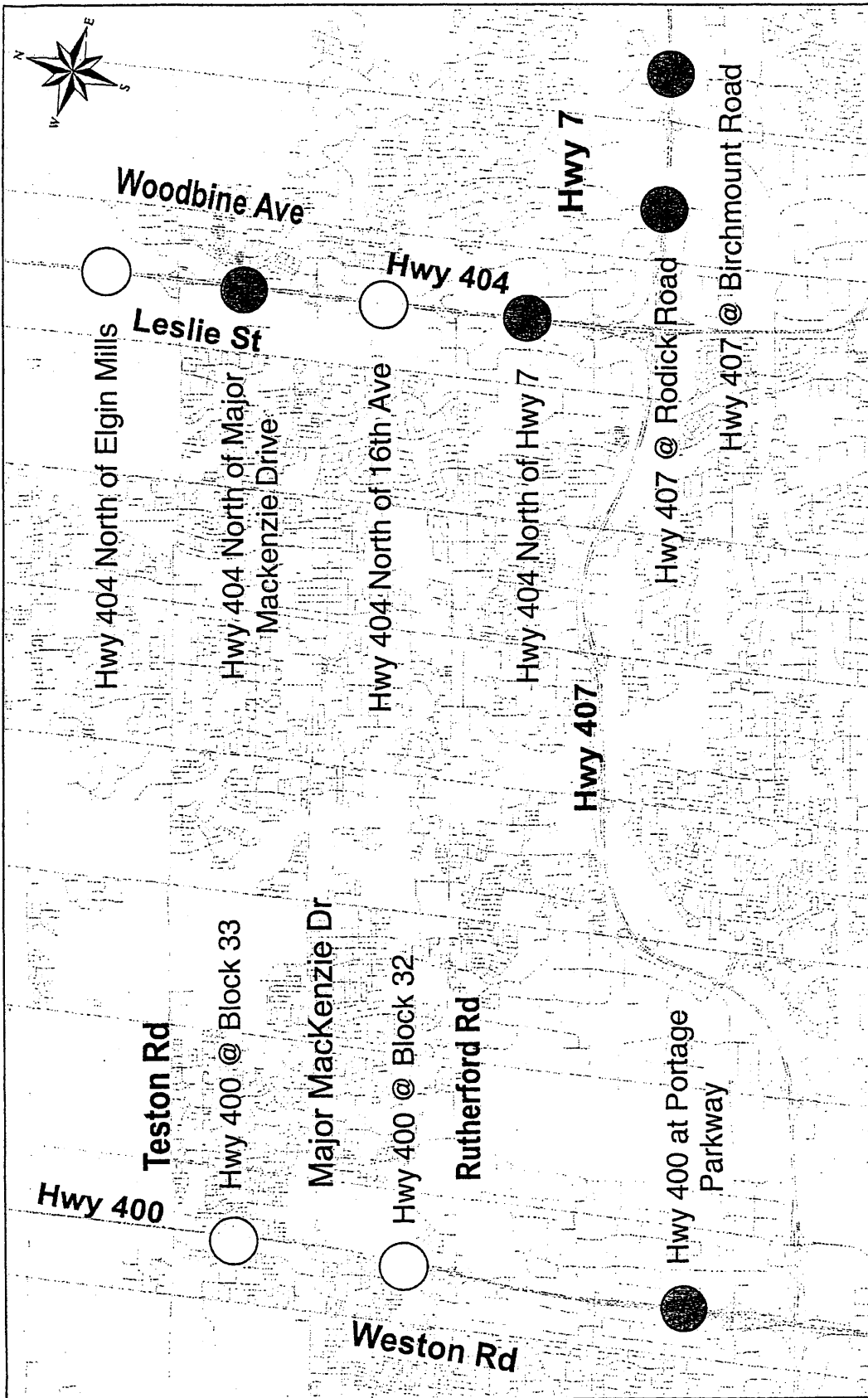
January 26, 2006

Attachment 1
DJB/PJ/mh
P06/2006/2006-1/February 1

Version 4-2006-5-10

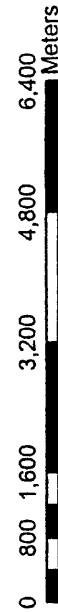
Table 1 – Appendix 2
Eligible versus Non-Eligible Project Components Costs
Region of York vs. Town of Richmond Hill

Project Cost Items	<u>Region of York</u>		<u>Town of Richmond Hill</u>	
	Eligible	Non Eligible	Eligible	Non Eligible
<u>Engineering Fees</u>				
• Environmental Assessment • Detail design/contract preparation • Construction admin/inspection/testing				
<u>Construction</u>				
<u>Road Works</u>				
• Curb/granular/asphalt • Storm sewers • Sidewalk • Local Municipal watermain/sanitary sewer services • Signage				
<u>Structural Work</u>				
• Standard highway, railway, water crossing				
<u>Electrical</u>				
• Illumination • Traffic signals				
<u>Streetscaping</u>				
<u>Other</u>				
• Maintenance agreements – 407, MTO • Legal agreements • Utilities relocations • Property				



LOCATION PLAN

Proposed Crossing
400 Series Highways



- Crossings included in DC Bylaw
- Crossings identified in the 2006 Roads 10 Year Capital Plan

York Region

ROADS BRANCH - CAPITAL DELIVERY