

Clause 16 in Report No. 10 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on May 21, 2015.

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Appraisal and Business Valuation Service Agreement Extensions
Toronto-York Spadina Subway Extension
City of Vaughan

Committee of the Whole recommends adoption of the following recommendations contained in the report dated April 1, 2015 from the Commissioner of Corporate Services:

1. Recommendations

It is recommended that:

1. Council authorize the extension of the following appraisal and business valuation service agreements, required for the Toronto-York Spadina Subway Extension (Subway), from May 31, 2015 to May 31, 2020, with no additional funding:
 - a. Altus Group Limited
 - b. Hallinan Tautrims Inc.
 - c. MacKenzie Ray Heron & Edwardth
2. The Commissioner of Corporate Services be authorized to execute the amendments to the agreements.

2. Purpose

This report seeks Council approval to extend appraisal and business valuation service agreements required for Subway land acquisitions and expropriations beyond five years for an additional five years, as required by the Region's purchasing bylaw.

3. Background

The Region's key responsibility in the Subway project is property acquisition within York Region

The Subway project involves the construction of subway tunnels, stations, emergency exit buildings, power substations, parking lots, roads and other subway-related infrastructure. The project extends from Sheppard Avenue West in the City of Toronto to Highway 7 West in the City of Vaughan. The Region is responsible for acquiring all lands within York Region on behalf of the project.

On November 29, 2009, the Subway received approval from the Ministry of the Environment with respect to the part of the project located within the Region. The part of the project located with the City of Toronto received approval on October 18, 2006.

Negotiation, appraisal and business valuation service agreements were procured using the co-operative purchasing provision of the purchasing bylaw

In 2007, the City of Toronto procured appraisal, property acquisition negotiation and business valuation services. The Region agreed to use the same service providers for its property requirements within the Region (pursuant to the co-operative purchasing provision of the Region's purchasing bylaw).

The services have been provided to the Region since 2010

The contractors have been providing negotiation, appraisal and business valuation services to support land acquisition negotiations and expropriations. The services included negotiations, negotiation and expropriation appraisal reports, appraisal critiques, appraisal report updates and business valuation advice. Appraisal services assist in determining land market value, injurious affection and disturbance damage compensation. Business valuation services analyze and determine business loss claims and payments.

The agreements will expire on May 31, 2015

The original agreements were procured for three years and extended administratively for an additional two years (total of five years). The agreements will now expire on May 31, 2015.

4. Analysis and Options

There is an on-going need for appraisal and business valuation services until final settlements are reached with all affected landowners and businesses

Negotiation services are no longer necessary, as they have been successful in reaching settlements on key properties. Staff will perform the remaining negotiations. However, there is an on-going need for appraisal and business valuation services.

Land acquisitions are often complex and difficult to settle. Expropriation settlements are often reached after construction completion. Appraisal and business valuation experts can shorten negotiations, expedite settlements and reduce costs, especially expropriation-related interest payments.

The agreement extensions do not require additional funding and still represent good value

Pursuant to the Region's purchasing bylaw, agreements greater than five years require Council approval. A five-year extension is needed to allow the services to continue uninterrupted. The agreement extensions do not require additional funding as there are still sufficient balances remaining in each agreement. They still represent good value for the Subway and the Region and the services will only be used on an as-needed basis. Staff will strive to complete all settlements prior to 2020.

[Link to key Council-approved plans](#)

[Link to key Council-approved plans](#)

From Vision to Results: 2015 to 2019 Strategic Plan

Priority Area – Strengthen the Region's Economy

Focusing on networks and systems that connect people, goods and services

Priority Area – Manage Environmentally Sustainable Growth

Managing traffic congestion

5. Financial Implications

The appraisal and business valuation services funding is included in the TYSSE project budget. The costs are fully recoverable from the TYSSE project budget. No additional funds beyond the originally budgeted amounts are required. The three agreements are valued at up to \$450,000, of which \$262,000 has been spent to date.

6. Local Municipal Impact

The construction of the TYSSE project is critical to the achievement of the vision for the Vaughan Metropolitan Centre (VMC), for both the Region and City of Vaughan. Upon construction completion, this project will improve public transit facilities in Vaughan.

7. Conclusion

Appraisal and business valuation services are required for the acquisition of lands related to the Subway project. The City of Toronto procured these services through an RFP and York Region agreed to use the same providers. The agreements will expire and the services are still needed. It is recommended that Council extend the agreements for five years, with no additional funding.

For more information on this report, please contact Eric Bjornson, Acting Manager, Realty Services, Property Services Branch at ext. 71706.

The Senior Management Group has reviewed this report.

April 1, 2015

Attachments (0)

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Accessible formats or communication supports are available upon request