

Clause No. 50 in Report No. 13 of the Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on September 11, 2014.

50
ACQUISITION OF LAND
SOUTHEAST DISTRICT ROAD MAINTENANCE FACILITY
10988 AND 10990 WARDEN AVENUE
CITY OF MARKHAM

Committee of the Whole recommends adoption of the recommendations contained in the following report dated August 18, 2014 from the Acting Commissioner of Corporate Services:

1. RECOMMENDATIONS

It is recommended that:

1. Council authorize the acquisition of the following land required for the construction of a road maintenance facility to service the southeast district, in the City of Markham:

No.	Owner	Municipal Address	Legal Description	Interest Required
1	Zacorp Ventures Inc.	10988 and 10990 Warden Avenue	Part of Lot 27 Con. 4 Markham, being Parts 1, 2, 5 and 6 on Reference Plan 65R- 20145	Fee Simple

2. The Commissioner of Corporate Services be authorized to execute the agreement of purchase and sale and all necessary documents to complete the transaction.

2. PURPOSE

This report seeks Council approval to acquire certain land located at 10988 and 10990 Warden Avenue, in the City of Markham, for the construction of a main district road maintenance facility to service the southeast district (*Attachment 1*).

3. BACKGROUND

There are currently four road maintenance facilities serving York Region

The current Regional road system covers over 1,000 kilometres and contains over 3,300 lane-kilometres of roads. To provide context, if these lane-kilometres were connected end-to-end, they would extend from York Region to Calgary, Alberta. Road maintenance activities include: winter maintenance (snow plowing), road painting, grass cutting, catch-basin and culvert cleaning, road sweeping, nuisance sign removal, pothole repair, etc.

Given the magnitude of the area to be served, there are four facilities that provide road maintenance services Region-wide. They are geographically located to help deploy resources in an effective and efficient manner. The facilities divide the Region into four service areas or districts including: North, Central, Southwest and Southeast. The current facility locations and addresses are shown in *Attachment 2*.

The lease for the current Southeast Road Maintenance facility expires in 2015

The lease for the current Southeast Road Maintenance facility will expire in July of 2015. Although a lease extension from Infrastructure Ontario, who manages the property on behalf of the Province, is expected to be negotiated, the current site is not able to meet the growing road maintenance demands of the Southeast District. As such, a search to find a new property to accommodate road maintenance activities in the Southeast District has been underway since 2009. A Regionally owned site will ensure that road maintenance needs in the southeast area of the Region can be met over the next 30 years and beyond.

The size of modern road maintenance facilities has made it difficult to identify candidate properties which meet the projected future needs

Modern road maintenance facilities designed to meet Regional needs should be 40 to 80 acres. This compares to the size of our existing facilities which are closer to 10 acres. The increased size is required to provide:

- More extensive buffering from adjacent land uses
- Improved environmental measures to mitigate impacts of facility activities
- Improved on-site safety with one-way traffic flow to reduce the need for truck reversing
- Increased material supply to eliminate the need to replenish supplies during major storm events
- Ability to manage snow which needs to be removed from increasingly urbanized Regional corridors

Properties of this size with a compatible planning designation are not readily available in the City of Markham, which has delayed the necessary acquisition of a replacement property.

A two-facility strategy has been developed to service the future road maintenance needs of the Southeast District

As a result of the difficulty in finding a suitable replacement property, a two-facility strategy has been developed to service the future road maintenance needs of the Southeast District. This strategy delivers road maintenance services from a larger main or suburban facility located outside of the built-up area and a smaller urban facility located in closer proximity to the urban core. The adoption of this strategy in 2013 has created new opportunities to find suitable properties.

The two-facility strategy provides the strategic location to ensure service levels are maintained in the busy urban core while the larger main facility provides the space necessary to meet the 30 year and beyond needs of the growing communities of Markham, Richmond Hill and Whitchurch-Stouffville.

The acquisition of an urban facility was approved by Council on June 26, 2014 and will be located at 350 Yorktech Drive as a shared facility with a Household Hazardous Waste Depot

The preferred site for the smaller urban facility has been identified at 350 Yorktech Drive, in the City of Markham. The site is approximately 10 acres and will be shared with a Household Hazardous Waste Depot. Council approved the acquisition of the urban road maintenance facility at its meeting of June 26, 2014. Due diligence on the property is underway with the acquisition scheduled to close in September 2014.

Staff was unsuccessful in acquiring the property previously authorized for this facility

On June 26, 2014, Council authorized staff to negotiate the acquisition of a property approximately 100 acres in size located at the southwest corner of Warden Avenue and 19th Avenue. Two external appraisal firms valued the property at \$6 million less than the vendor's final offer. As such, negotiations with the vendor for that property were terminated. Staff then successfully negotiated the acquisition of the second preferred property located at 109880 and 10990 Warden Avenue, just north of Elgin Mills Road.

4. ANALYSIS AND OPTIONS

Even with the two-facility strategy there are limited properties which meet the necessary operational and planning criteria for the site

A stepwise approach was taken to identify suitable properties for the main or suburban yard facility for the Southeast District. In 2013, staff investigated viable sites, resulting in less than half a dozen that met the primary criteria, which were a land area of 40 to 100 acres (gross), undeveloped, with a compatible land use designation and located within the north to northwest area of the City of Markham. The suitable sites were evaluated based on four primary criteria:

- Land Use Planning – existing and future compatibility
- Environmental Impacts – compatibility with environmental protection policies
- Engineering and Site Operations – facility orientation and servicing
- Future Benefit – accommodation of best practices and expansion of services

Each site was found to have a varied set of opportunities and constraints (location, environmental impact, configuration etc.). Of the sites evaluated, two best met all of the required criteria for the Southeast District - Main Road Maintenance Facility.

The new main yard facility will be designed to be compatible with the existing and future area land uses. From a planning perspective the subject site is located within one of the Region's 'New Community Areas'. This 'New Community Area' is more commonly known as the Regional Official Plan Amendment No. 3 (ROPA 3) area or the City of Markham Urban Expansion Area. The City of Markham's new Official Plan (adopted 2013), identifies the property as 'Employment Area' with a 'Future Urban Area' overlay.

The second preferred site located at 10988 and 10990 Warden Avenue meets all of the criteria

Having multiple potential sites is a benefit, given there is no guarantee a reasonable purchase and sale agreement will be reached on any given property. Once negotiations for the first preferred site at the southwest corner of Warden and 19th Avenue were terminated, contact was made with the landowner of the second preferred site to determine their willingness to sell the property.

Staff successfully negotiated the acquisition of the second preferred site

Staff has completed negotiations with the landowner of 10988 and 10990 Warden Avenue, to acquire this critical property for the construction of a main district road maintenance facility to service the southeast district.

The agreement of purchase and sale is conditional on the Region satisfying itself as to the environmental, geotechnical, hydrogeological, cultural and heritage status of the lands and buildings, and any planning requirements.

The following summary sets out the details of the property.

Property No. 1 (*Attachment 1*)

This property is located on the west side of Warden Avenue just north of Elgin Mills Road. The subject property is improved with two residential homes and a barn that is listed on the City of Markham's Registry as being of Cultural Heritage value or interest.

OWNER:	Zacorp Ventures Inc.
TOTAL AREA OF PROPERTY:	22.56 ha (55.74 acres)
LANDS TO BE ACQUIRED:	Fee Simple interest in part of Lot 27 Con. 4, Markham, designated as Parts 1, 2, 5 and 6 on Reference Plan 65R-20145
SPECIAL FEATURES:	The property is rectangular and relatively flat with 754.47 feet of frontage on Warden Avenue.
PROJECT NUMBER:	85790

Build-out and occupancy of the main facility property will be coordinated with the urban facility property as well as the existing leased facility

Although staff is recommending that the new main facility property be acquired in 2014, the build-out and occupancy will be phased over time. It is not financially feasible or necessary to construct the entire site. Therefore, build-out of the site will be coordinated and planned in conjunction with continued operation of the leased facility to ensure the needed transportation infrastructure growth in the City of Markham, can proceed as planned. Securing this necessary property in 2014 is recommended given that the amount of vacant property available in the southeast district is not expected to increase over time.

Link to Key Council-approved Plans

From Vision to Results: 2011 to 2015 Strategic Plan

Priority Area - Continue to Deliver and Sustain Critical Infrastructure

Improve mobility for users on Regional transportation corridors

The acquisition of these lands will assist the Region in meeting its key strategic transportation needs.

5. FINANCIAL IMPLICATIONS

This property acquisition is being funded by Transportation and Community Planning Department. There is sufficient Capital Spending Authority in the approved 2014 Capital Budget to fund this purchase. The expenditure will be funded through debentures, to be paid back 66 per cent through development charges and 34 per cent through tax levy.

6. LOCAL MUNICIPAL IMPACT

The acquisition of this property will provide the ability for the Region to continue to meet its service levels in the Road Maintenance Program. The acquisition will also allow for accommodation of future growth within the transportation network in the southeast area of the Region.

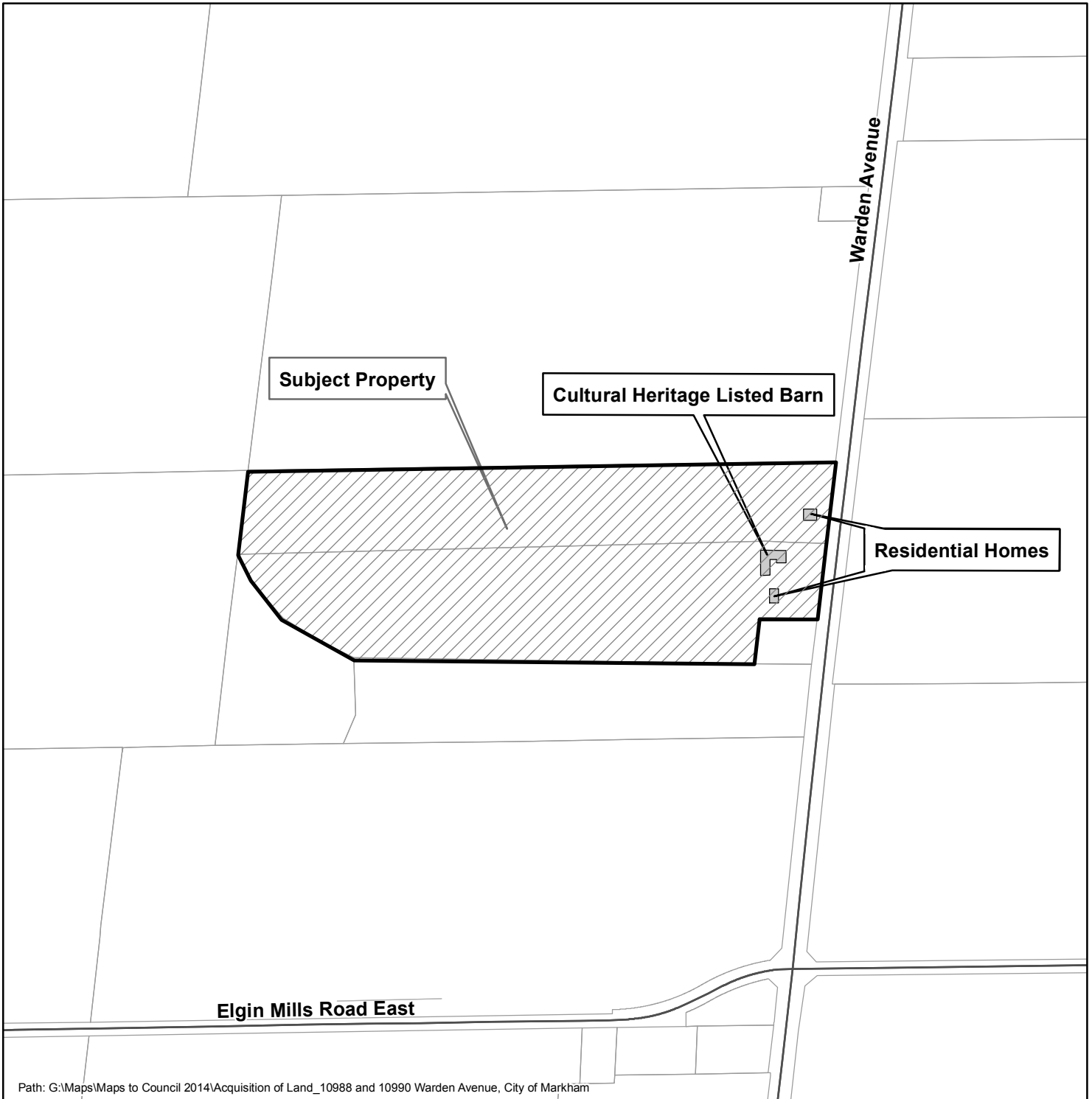
7. CONCLUSION

The acquisition will allow for the construction of a main district road maintenance facility as part of the two-facility strategy to service the southeast district. Although the urban and main facility properties are being recommended for acquisition at the same time, their build-out and occupancy will be coordinated and phased to meet the increasing road maintenance needs of the southeast area. Accordingly, staff recommends that Council authorize the negotiation to acquire the lands as detailed in this report.

For more information on this report, please contact René Masad, Director, Property Services Branch at Ext. 71684.

The Senior Management Group has reviewed this report.

Attachment (2)



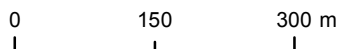
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LOCATION PLAN




Acquisition of Land
Southeast District Road Maintenance Facility
10988 and 10990 Warden Avenue
City of Markham



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Legend

-  Subject Property
-  Parcel
-  Road

LEGEND

-  Multi-Lane Provincial Highway
-  Provincial Highway
-  Road
-  Railway
-  Municipal Boundary
-  Regional Boundary
-  District Boundary

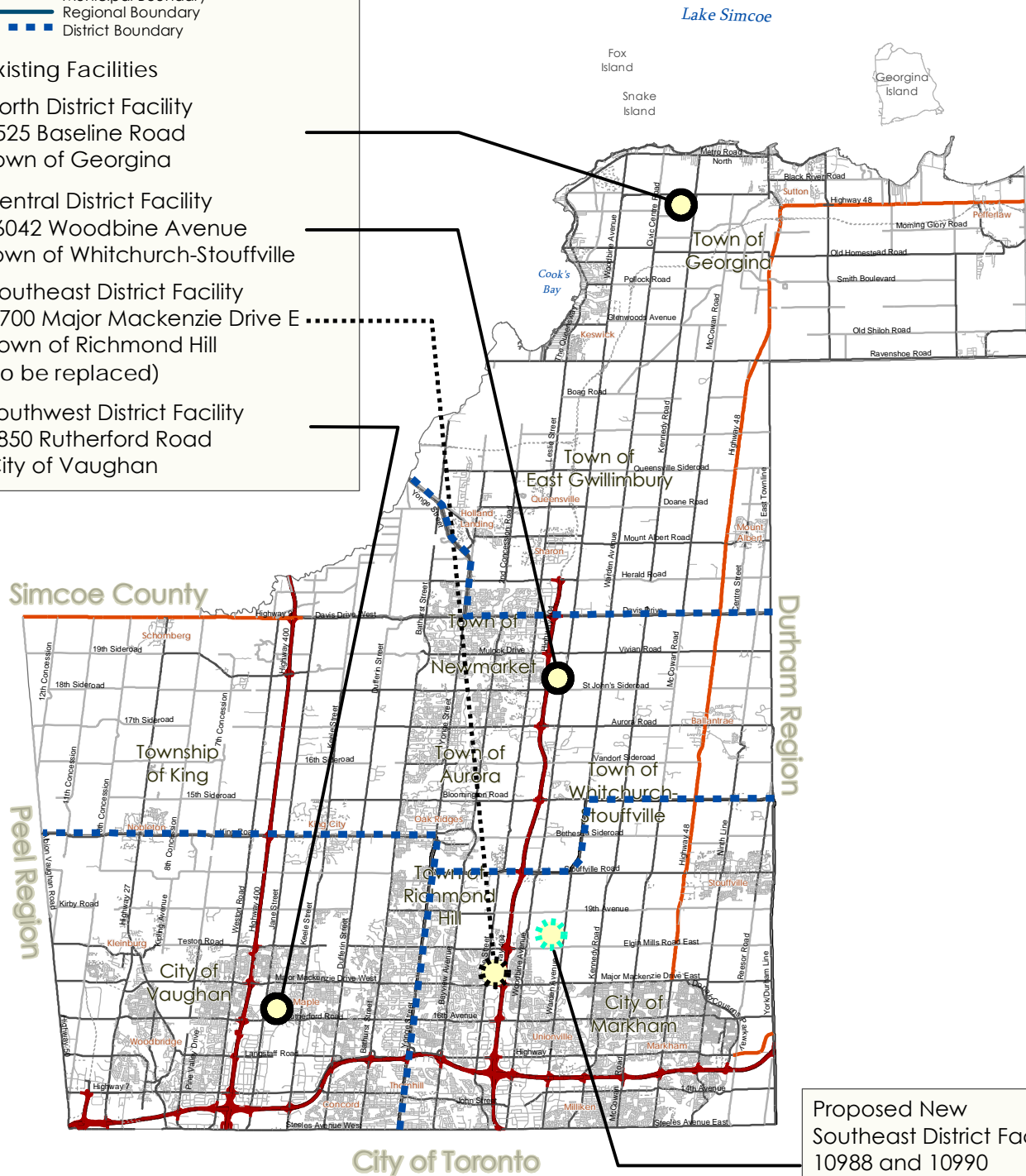
Existing Facilities

North District Facility
3525 Baseline Road
Town of Georgina

Central District Facility
16042 Woodbine Avenue
Town of Whitchurch-Stouffville

Southeast District Facility
1700 Major Mackenzie Drive E
Town of Richmond Hill
(to be replaced)

Southwest District Facility
2850 Rutherford Road
City of Vaughan



Proposed New
Southeast District Facility
10988 and 10990
Warden Avenue
City of Markham

Road Maintenance Facilities
York Region

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