



STAFF REPORT ACTION REQUIRED

Steeles Avenue Widening (Tapscott Road to Ninth Line) – Principles of a Cost-Sharing and Implementation Agreement

Date:	June 3, 2014
To:	Public Works and Infrastructure Committee
From:	General Manager, Transportation Services
Wards:	Ward 42 – Scarborough-Rouge River
Reference Number:	P:\2014\Cluster B\TRA\TIM\pw14015tim.docx

SUMMARY

Steeles Avenue extends approximately 40 kilometres across the north limit of the city from the Region of Peel in the west to the Region of Durham in the east. Situated entirely within the City of Toronto, the northern limit of the Steeles Avenue right-of-way limit defines the city's boundary with the Regional Municipality of York to the north. Approximately 650,000 vehicles cross Steeles Avenue both in the inbound and outbound directions on a typical weekday 24-hour period.

Recognizing the importance of this key arterial road to both municipalities, negotiations have been ongoing for several years to assess the opportunity for the sharing of capital improvements and operating and maintenance costs. Although progress has been made in this regard, at this time there has been no cost-sharing agreement reached between the two municipalities.

In the meantime, the Minister of Environment has issued a Notice of Approval to York to proceed with the "Donald Cousens Parkway to Morningside Avenue Link", including the widening of a section of Steeles Avenue approximately 1.5 km in length from Tapscott Road easterly to Ninth Line. The purpose of this report is to recommend a series of principles that would form the basis of an agreement between the City of Toronto and the Regional Municipality of York for the widening and cost-sharing of this 1.5 km section of Steeles Avenue. These principles have been developed in consultation with York staff, and pending approval by York Region Council, would be used to develop the comprehensive agreement with York for the maintenance, improvements and management of the entire 40-km length of Steeles Avenue, including cost-sharing.

RECOMMENDATIONS

The General Manager, Transportation Services recommends that:

1. City Council grant approval to City staff to negotiate, enter into and execute an agreement with the Regional Municipality of York for the widening of Steeles Avenue from a point approximately 400m east of Tapscott Road extending easterly to Ninth Line, and the 50/50 cost-sharing of such widening, on terms and conditions generally as set out in Appendix 2 of this report and on such other terms and conditions satisfactory to the General Manager of Transportation Services and in a form satisfactory to the City Solicitor;
2. City Council forward this report to the Clerks of the City of Markham, City of Vaughan and the Regional Municipality of York.

Financial Impact

Funds for the widening of Steeles Avenue, from Tapscott Road easterly to Beare Road (a distance of approximately 5.8 km) are included in Transportation Services 2014 Capital Budget and 2015-2023 Capital Plan. These funds, totaling \$38.0 million over four years beginning in 2015, were recommended previously in anticipation of a boundary road agreement with the Regional Municipality of York for the widening of this section of Steeles Avenue. These funds would be used for the detailed design and widening of the subject 1.5 km section of Steeles Avenue, generally between Tapscott Road and Ninth Line, which is entirely within the above-noted 5.8 km section.

Should an agreement be reached between the City and the Regional Municipality of York for the cost-sharing of construction and ongoing operations and maintenance of this widened section of Steeles Avenue there would be no additional financial impact on Transportation Services capital and operating budgets.

The Deputy City Manager and Chief Financial Officer has reviewed this report and agrees with the financial impact information.

DECISION HISTORY

Over the years, there have been several reports to Committee and Council regarding Steeles Avenue related to its management, capital improvements, widening, rehabilitation, operations, maintenance and potential cost-sharing with the Regional Municipality of York.

City Council, at its meeting on June 14, 15 and 16, 2005, in considering a status report on the Region of York's Individual Environmental Assessment Study of the Markham By-Pass/Morningside Avenue connection adopted a recommendation to *"advise York Region that it strongly opposes and formally objects to the technically preferred alignment for the*

extension of Morningside Avenue south of Steeles Avenue East..." and that York Region be requested to "re-evaluate...the City's preferred alignment south of Steeles Avenue East".

<http://www.toronto.ca/legdocs/2005/agendas/council/cc050614/wks6rpt/cl005.pdf>

More recently, City Council at its meeting on October 22 and 23, 2007, in considering a further report on this matter titled "Markham By-Pass – Morningside Avenue: Individual Environmental Assessment" (PW9.1) confirmed its support for an alternative alignment of the link between the Markham By-Pass (now known as the Donald Cousens Parkway) and Morningside Avenue. City Council requested York to support the City's preferred alignment and that York amend its Environmental Assessment (EA) accordingly.

<http://app.toronto.ca/tmmis/viewAgendaItemHistory.do?item=2007.PW9.1>

ISSUE BACKGROUND

As a result of City Council's position with respect to the alignment of the Donald Cousen's Parkway-Morningside Avenue link, as well as further negotiations between Toronto and York staff assisted by a designated "Provincial Facilitator", York amended their Environmental Assessment to identify the City's alignment as the preferred alternative, as illustrated in Appendix 1.

On January 23, 2013, the Minister of the Environment, with concurrence of the Provincial Cabinet, approved York's Amended EA. Conditions of EA approval included the requirement for York Region to work with the City of Toronto to prepare a cost-sharing and implementation agreement detailing how and when the various portions of the project will be built and financed. The Minister of the Environment imposed a 5-year deadline for the preparation of this cost-sharing and implementation agreement.

COMMENTS

Existing Conditions

Steeles Avenue is an arterial road extending 40 kilometres along the north limit of the City of Toronto from the Region of Peel in the west to the Region of Durham in the east. The north limit of the Steeles Avenue right-of-way defines the boundary between the City and the Regional Municipality of York. Steeles Avenue varies in width from two to seven lanes, crosses seven railway lines and 16 waterways, and intersects with 25 major highways and arterial roads.

Approximately 650,000 vehicles cross Steeles Avenue both in the inbound and outbound directions on a typical weekday 24-hour period. On Steeles Avenue itself, 24-hour volumes range from a high of approximately 30,000 vehicles in each direction (east of Highway 404) to a low of approximately 8,000 vehicles in each direction (west of the Durham boundary).

Previous Widening of Steeles Avenue

The former Municipality of Metropolitan Toronto undertook an Environmental Assessment (EA) for the widening of Steeles Avenue from two to four lanes for the section between McCowan Road and the Pickering Townline. The EA was approved in 1994 and, consequently, two contracts were awarded in 1995 for the widening of the section between McCowan Road and Tapscott Road and between Beare Road and the Pickering Townline. Construction of the two widenings was completed in 1996.

The Province of Ontario contributed to these two widenings in recognition of the inter-regional function of Steeles Avenue. However, following their completion, the Province withdrew all further funding and the design and construction of the widening of the remaining portion of Steeles Avenue, from Tapscott Road to Beare Road, did not proceed.

Municipal Jurisdiction

Previously, the boundary between the former Municipality of Metropolitan Toronto and the Regional Municipality of York was the centre line of Steeles Avenue. As a result, there were challenges with the administration, coordination, logistics and service levels related to the maintenance and rehabilitation of the westbound lanes (under the jurisdiction of York) and eastbound lanes (under the jurisdiction of Metropolitan Toronto). In order to address the challenges and difficulties with this arrangement, Metropolitan Toronto negotiated a transfer of York's portion to Metro ownership so that the entire roadway fell under the jurisdiction of Metropolitan Toronto. This transfer, which required approval from the Province of Ontario, was implemented incrementally between 1974 and 1979. In 1982, the Ontario Municipal Board issued a final ruling confirming Metropolitan Toronto's jurisdiction over Steeles Avenue up to the northern boundary of the existing right-of-way.

Funding for the rehabilitation, improvements and maintenance of Steeles Avenue

City Council previously directed staff to defer major rehabilitation of Steeles Avenue, now entirely under the jurisdiction of the City of Toronto, until an agreement was reached between the City and York for the cost-sharing of the major rehabilitation. Major rehabilitation, including road resurfacing and reconstruction, road widenings, grade separations, intersection improvements, and bridge and culvert rehabilitation could exceed \$100 million over the next 10-year period.

The Regional Municipality of York recognizes the importance of Steeles Avenue to its residents and businesses and has expressed, generally, a willingness to consider a cost-sharing arrangement with the City of Toronto for its rehabilitation and ongoing operations and maintenance. However, one of the main obstacles to the development and ratification of a Toronto-York cost-sharing agreement for Steeles Avenue is the application of development charges received by York for investment in infrastructure owned by Toronto. Without the application of development charges to the rehabilitation, improvement and

maintenance of Steeles Avenue, York has indicated that it is not prepared to enter into a cost-sharing agreement.

Accordingly, the principles attached to this report include, among other things, a commitment to seek any necessary clarification or amendment to the Development Charges Act that would permit the collection of development charges by York for improvements to Steeles Avenue jointly undertaken and/or funded by the City of Toronto and York Region. Should such any required amendment not be approved by the Province, then the City of Toronto and York Region would petition the Province to relocate the municipal boundary between Toronto and York back to the centre of the Steeles Avenue right-of-way in order to remove any barriers to the application of development charges by both jurisdictions to Steeles Avenue.

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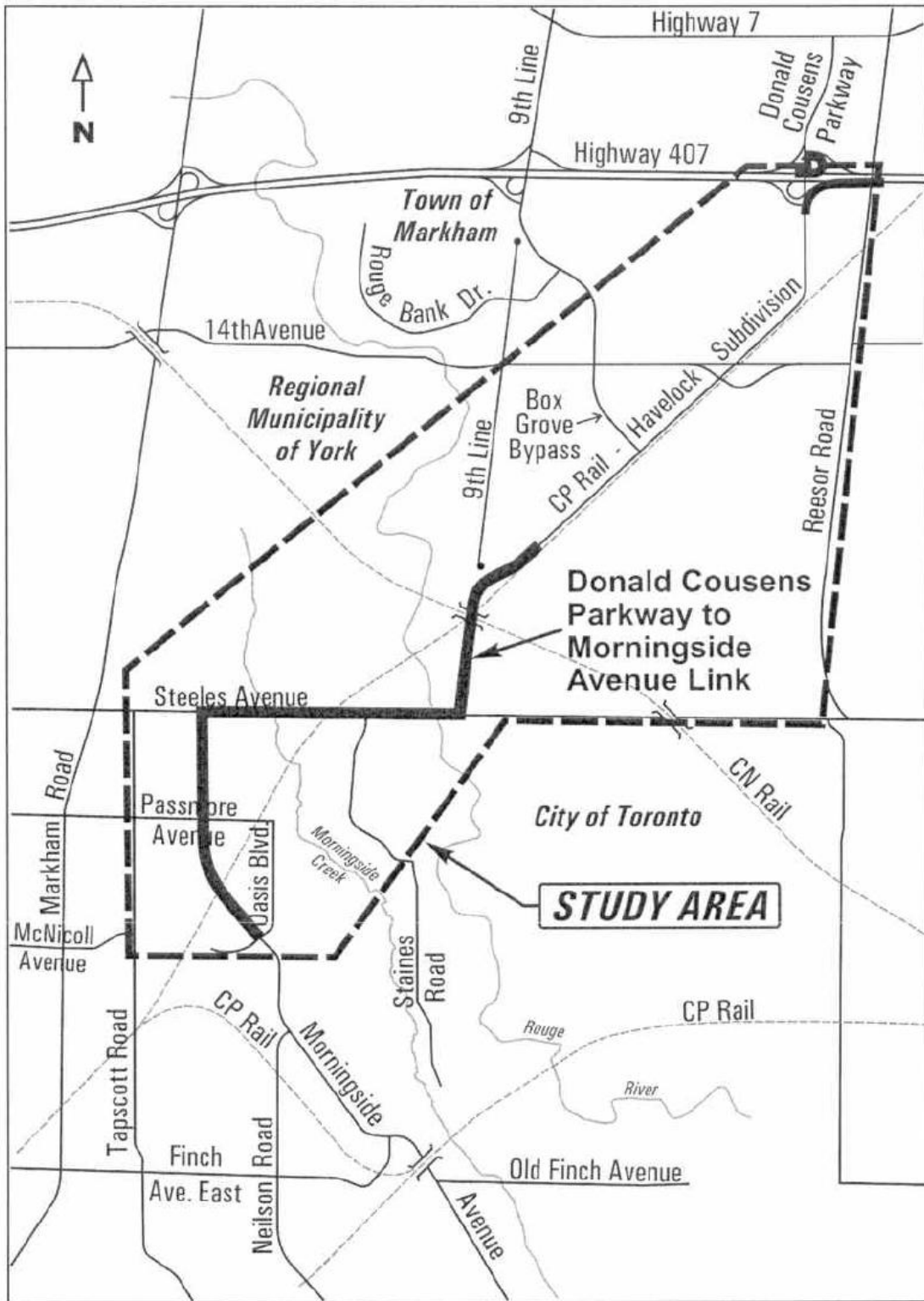
Stephen Buckley
General Manager, Transportation Services

ATTACHMENTS

Appendix 1 – Steeles Avenue Widening – Tapscott Road to Ninth Line
Location Map

Appendix 2 – Principles of a Cost-Sharing and Implementation Agreement

Appendix 1
 Steeles Avenue Widening – East of Tapscott Road to Ninth Line
 Location Plan



Appendix 2
Principles of a Cost-Sharing and Implementation Agreement

Council approve the following principles as the basis of a cost-sharing and implementation agreement with the City of Toronto for the Steeles Avenue component of the Donald Cousens Parkway to Morningside Avenue Link:

- 1) Develop an agreement for the widening of Steeles Avenue from east of Markham Road to Ninth Line, which forms part of the approved Donald Cousens Parkway to Morningside Avenue Link, in advance of a Toronto-York boundary road agreement for the entire length of Steeles Avenue.
- 2) Either (i) seek a clarification (by joint court application) or an amendment to the Development Charges Act to permit collection of development charges by York Region for improvements to Steeles Avenue, or (ii) relocate the municipal boundary between the City of Toronto and York Region to the centre of the Steeles Avenue right-of-way, to remove any legal barriers to the application of development charges by both jurisdictions for capital improvements to Steeles Avenue.
- 3) Should an amendment to the Development Charges Act described in Principle (2) not be completed by September 30, 2016 in time for York Region's Development Charges Bylaw update in early 2017, the City of Toronto and York Region will mutually request the Province of Ontario to relocate the municipal boundary to the centre of the Steeles Avenue right-of-way.
- 4) That the City of Toronto and York Region proceed with detailed design of Steeles Avenue improvements from east of Markham Road to Ninth Line on a joint 50/50 cost sharing basis while cooperatively making best efforts to satisfy Principles (2) and (3).
- 5) Satisfy Conditions 10.2 and 10.5 of the Notice of EA Approval by the Ministry of the Environment for the construction of the Donald Cousens Parkway to Morningside Avenue Link, with commitments on how and when the various portions of the Donald Cousens Parkway to Morningside Avenue Link is to be built and financed, and ensuring that construction of the EA approved Undertaking does not commence until the required clearance is provided by the Ministry of the Environment.
- 6) Present a "cooperative and coordinated approach" for implementing Steeles Avenue improvements associated with the Donald Cousens Parkway to Morningside Avenue Link and managing on-going operational and safety issues.
- 7) Management of Steeles Avenue is to be guided by mutually agreed protocols to ensure consistency in their application (e.g. maintenance, capital improvements, development review, dispute resolutions, traffic control, transit service, etc.).

- 8) A 50/50 cost sharing arrangement for capital improvements on Steeles Avenue associated with the Donald Cousens Parkway to Morningside Avenue Link and for on-going maintenance.
- 9) Provide the framework for the future Toronto-York Steeles Avenue boundary agreement for the entire length of Steeles Avenue bounding York Region and the City of Toronto.
- 10) Identify a commitment by both the City of Toronto and York Region to a multi-year capital improvement program to maintain Steeles Avenue in a state-of-good-repair.
- 11) The City of Toronto will manage all operational issues on behalf of both parties based on agreed upon standards and service levels, with costs shared equally.
- 12) Major capital works/plan requires approval from the Councils of both jurisdictions.