

Clause 13 in Report No. 12 of Committee of the Whole was adopted, without amendment, by the Council of The Regional Municipality of York at its meeting held on June 25, 2015.

13

Acquisition of Land at 474 Davis Drive
Disposition of Land at 496, 498, 514 Davis Drive
Viva Bus Rapid Transit Corridor
Town of Newmarket

Committee of the Whole recommends adoption of the recommendation contained in the report dated May 6, 2015 from the Commissioner of Corporate Services:

1. Recommendations

It is recommended that:

1. Council authorize the acquisition of the following land required for the construction of the bus rapid transit corridor on Davis Drive, in the Town of Newmarket.

No.	Owner	Municipal Address	Legal Description	Interest Required
1.	Town of Newmarket	474 Davis Drive Newmarket	Part 1, 2, 3, 4, 5, 6, 7, Plan 65R35465	Fee Simple

2. Council authorize the disposition of the following lands on Davis Drive, in the Town of Newmarket.

Acquisition of Land for 474 Davis Drive
Disposition of Land for 496, 498, 514 Davis Drive
Viva Bus Rapid Transit Corridor
Town of Newmarket

No.	Owner	Municipal Address	Legal Description	Interest Required
2.	The Regional Municipality of York	496, 498, 514 Davis Drive	Part, 8, 9, 10, Plan 65R35465	Fee Simple

3. The Commissioner of Corporate Services be authorized to execute all necessary documents to complete the transaction

2. Purpose

This report seeks Council approval to accept the terms of an exchange of lands between the Region and the Town of Newmarket (the Town) as part of the vivaNext Davis Drive project, as shown in Attachment 1.

3. Background

The Region is constructing dedicated bus rapid transit lanes for vivaNext along Davis Drive in Newmarket

To facilitate public transit along Davis Drive in Newmarket, the Region, via York Region Rapid Transit Corporation (YRRTC), is undertaking improvements to the road infrastructure and the construction of dedicated centre lanes for Viva buses, along with enhanced street features and boulevards. The project received approval from the Ministry of the Environment in 2005.

The new viva rapidway along Davis Drive is expected to be completed in December 2015

Construction of the new Viva rapidway along Davis Drive began in 2010 and runs for 2.6 kilometres from Yonge Street to just past the Southlake Regional Health Centre. The Davis Drive rapidway is approximately 70 per cent completed and the rapidway is expected to open in December 2015.

Acquisition of Land for 474 Davis Drive
Disposition of Land for 496, 498, 514 Davis Drive
Viva Bus Rapid Transit Corridor
Town of Newmarket

A subsequent construction phase will have all Viva buses running in the curbside lanes from the Southlake Regional Health Centre eastward to Highway 404, a distance of an additional 2.3 kilometres.

The Region obtained possession of lands required for the Davis Drive project by expropriation in 2009

On January 22, 2009, Council approved the expropriation of the initial interests required for the construction of the Davis Drive corridor, which involved various property takings from 133 property owners. Possession of the lands was obtained in late 2009. The lands located at 496, 498, and 514 Davis Drive were included in the original expropriation.

The Region required a partial taking from the Town of Newmarket Seniors' Centre at 474 Davis Drive

In addition to the lands obtained by expropriation, the project also required lands from various public agencies for which expropriation is not typically considered, such as utility, municipal and Provincial bodies. This included a large vacant land partial taking at the Town of Newmarket Seniors' Centre, located at 474 Davis Drive. The Seniors' Centre land was required to accommodate the reconstruction of the west side of the Keith Bridge, located adjacent to the Seniors' Centre. The affected portion of the Seniors' Centre land contained no buildings and was essentially green space.

The Town granted full construction access to 474 Davis Drive to the Region in 2010

In order to ensure the Town land was available for commencement of construction, the Town granted the Region access to construct in February of 2010, pending an anticipated transfer of ownership of the required lands. The parties acknowledged that the legal transfer of the land was pending. Therefore, the risk of the Region incorporating the land into the project prior to obtaining ownership was minimal. A significant portion of the project works has since been completed.

Acquisition of Land for 474 Davis Drive
Disposition of Land for 496, 498, 514 Davis Drive
Viva Bus Rapid Transit Corridor
Town of Newmarket

The Town of Newmarket expressed an interest in acquiring the surplus portions of the Region's lands at 496, 498 and 514 Davis Drive

Although the norm on the corridor was to acquire partial takings from owners, full buyouts were warranted for the lands located at 496, 498 and 514 Davis Drive. The buyouts were necessary because the respective buildings needed to be removed to accommodate construction. Additionally, the portions of these three properties not required for the project will not be of sufficient configuration and size to support development in accordance with existing zoning.

The Town expressed an interest in obtaining ownership of the lands to incorporate into its trail system along the East Holland River, which is located adjacent to the east of the lands.

The Region and the Town of Newmarket commenced discussions to engage in a land exchange of the subject properties

Although the Region had been utilizing the Town lands required for the Davis Drive project, the Region has yet to obtain ownership of the Town lands. In addition, the Town has an interest in obtaining ownership of those portions of the Region-owned lands at 496, 498 and 514 Davis Drive that were not required for the project. In this regard, the Region and Town agreed to consider an exchange of lands to facilitate the parties' respective needs. YRRTC has requested and received approval of this land exchange from Metrolinx.

The Town received approval from its Council to negotiate a land exchange with the Region

In February 2010, the Town obtained the formal approval requirements from its Council to enter into negotiations with the Region. The agreement would facilitate the acquisition by the Town of the portions of the Region's lands at 496, 498 and 514 Davis Drive that were not required for the project. In exchange, the Town would transfer the portion of the Seniors' Centre land that the Region has incorporated into the Davis Drive project.

YRRTC received approval from Metrolinx for the land exchange

Discussions between YRRTC and the Town of Newmarket were initiated early in the acquisition programme for Davis Drive to consider the lands owned by the Town that would be required for the implementation of rapid transit along the

Acquisition of Land for 474 Davis Drive
Disposition of Land for 496, 498, 514 Davis Drive
Viva Bus Rapid Transit Corridor
Town of Newmarket

corridor. For the bus rapid transit project requirements, YRRTC typically requests that municipally owned lands be dedicated to the Region for nominal consideration. In this case, the parties agreed to proceed with the concept of a land exchange for the Town's Seniors' Centre lands on the understanding that the Town's request for compensation for its lands was a legitimate outcome of the Town's previous acquisition of the lands.

In 2014, YRRTC submitted documentation to Metrolinx for the land exchange on an all-in project cost basis. This methodology involved an analysis of input costs including acquisition, demolition and environmental remediation. YRRTC recommended to Metrolinx that a swap was equitable, to which Metrolinx concurred.

4. Analysis and Options

The Region and the Town have negotiated the terms of the land exchange

Region staff and Town staff have negotiated the recommended general terms of the land exchange. The terms of disposition of the Region's land are in accordance with the Region's Sale and Disposition of Land Policy.

The market value estimates for the lands were based on internal valuations

The estimates of market value for both the lands owned by the Town and the Region were derived from Region staff, based on information compiled from independent appraisals procured for adjoining and similar type properties on Davis Drive.

The valuation of 496, 498 and 514 Davis Drive was completed in accordance with The Region's Sale and Disposition of Land Policy. The valuation involved a current value effective date, taking into consideration the disposition of the lands could have been accomplished via a current open market sale, or via the proposed land exchange.

Acquisition of Land for 474 Davis Drive
Disposition of Land for 496, 498, 514 Davis Drive
Viva Bus Rapid Transit Corridor
Town of Newmarket

An independent appraisal was not completed for the Town lands in 2009

For all of the lands expropriated in 2009 for the Davis Drive project, independent appraisals were commissioned to support the offers served upon the property owners. The Town land was not considered for expropriation, and the means of transferring the land from the Town to the Region had not been determined in 2009. In that regard, an appraisal was not completed.

As negotiations proceeded for the land exchange, the parties agreed that the value of the Seniors' Centre land should take into consideration that the land was not subject to expropriation and that the Region had occupied the land since 2010. In addition, the parties agreed to endeavour to complete a fair exchange that does not involve significant, if any, financial compensation.

An internal valuation has been completed and the proposed exchange of lands is considered fair, transparent, and of mutual benefit to the Region and the Town

The Corporate Land Acquisition policy states that an appraisal from an independent accredited appraiser is to be prepared for acquisitions valued between \$100,000 and \$1,000,000. With respect to this land exchange, the process undertaken involved the completion of a valuation completed by Region staff. Given the unique circumstances of the transaction, the land exchange is considered to be transparent, fair and beneficial to both parties, as well as for the public good.

In considering the market value of the lands only, there is an overall slight financial net benefit to the Town of Newmarket (about 12% of the value of the land to be disposed of by the Region). However, the Region has occupied the Town land since 2010 with no compensation to the Town to date. Therefore, it is considered reasonable that the difference in value of the lands be offset by the benefit to the Region of obtaining access to the land in the early phases of the project.

The Region completed environmental remediation on 474 Davis Drive

As part of the acquisitions in 2009, the Region conducted Environmental Site Assessments on all the requirements on Davis Drive. For the Town land,

Acquisition of Land for 474 Davis Drive
Disposition of Land for 496, 498, 514 Davis Drive
Viva Bus Rapid Transit Corridor
Town of Newmarket

contaminants were identified that required remediation. The land was remediated of contaminants by the Region as part of the project at a cost of \$158,000.

Given the circumstances involving the Region using the Town land since 2010, it is considered appropriate for the project to absorb the cost of remediation. In this regard, the cost was not considered as part of the negotiations with the Town.

Link to key Council-approved plans

2015 to 2019 Strategic Plan

Priority Area – Strengthen the Region’s Economy

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

Priority Area – Manage Environmentally Sustainable Growth

Managing traffic congestion

The acquisition of these lands will support the development of bus rapid transit corridors, which is intended to increase the number of rapidway lane kilometres and transit ridership per capita.

5. Financial Implications

The funding to complete this property settlement is included in the 2015 YRRTC Capital Budget. The project is funded by the Province, via the Metrolinx Master Agreement.

6. Local Municipal Impact

The construction of dedicated bus lanes and related facilities, as well as road and intersection improvements along Davis Drive from Yonge Street to Alexander Road, is critical in the achievement of the vision for the Region. Additionally, upon completion this project will improve public transit facilities and enrich the streetscapes in Newmarket.

Acquisition of Land for 474 Davis Drive
Disposition of Land for 496, 498, 514 Davis Drive
Viva Bus Rapid Transit Corridor
Town of Newmarket

7. Conclusion

In 2009, the Region expropriated full property takings for 496, 498 and 514 Davis Drive for the vivaNext project, as part of an expropriation of 133 properties. Portions of 496, 498 and 514 Davis Drive are not required for the project.

Portions of land from the Seniors' Centre, owned by the Town of Newmarket, were required for the project. The Region obtained access to the Town land in 2010, but has not acquired the land for the project.

The Region and Town agreed that there would be a mutual benefit to the parties to exchange the lands without financial consideration. The parties have negotiated a full and final settlement by way of a land exchange.

The recommendations in this report pertain to the acquisition of the portion of the Town's Seniors' Centre land and the disposition of the portions of the Region's lands at 496, 498 and 514 Davis Drive not required for the project. Combined, the proposed acquisition and disposition compose a land exchange. It is recommended that Council authorize the agreement as described in this report.

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

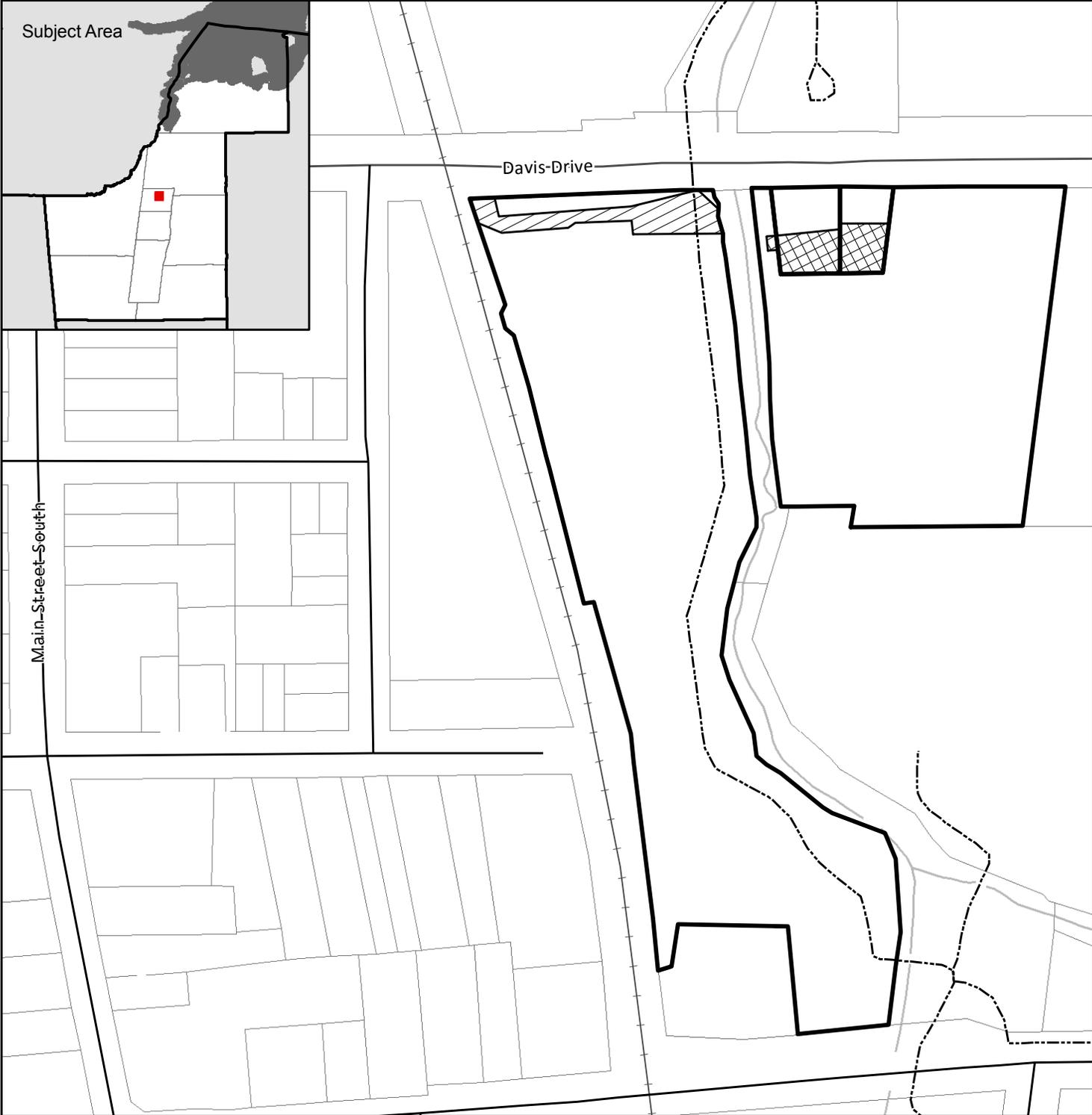
The Senior Management Group has reviewed this report.

May 6, 2015

Attachments (1)

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Accessible formats or communication supports are available upon request



LOCATION PLAN

Acquisition of Land at 474 Davis Drive
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Viva Bus Rapid Transit Corridor
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Legend

- Subject Properties
- To Be Conveyed to York Region
- To Be Conveyed to Town of Newmarket
- Parcel
- Tom Taylor/Nokiidaa Trail
- Road
- River
- Railway