

Clause 30 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 September 20, 2018.

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Compensation for Expropriation West Vaughan Sewage Servicing Project

Committee of the Whole recommends adoption of the following recommendation contained in the report dated August 16, 2018 from the Commissioner of Corporate Services:

1. Council authorize the Commissioner of Corporate Services to make offers of compensation to the owners of lands in the City of Vaughan, as set out in Attachment 1, which were acquired in accordance with the Expropriations Act (the "Act").

(See Clause 43.)

Report dated August 16, 2018 from the Commissioner of Corporate Services now follows:

1. Recommendations

It is recommended that:

1. Council authorize the Commissioner of Corporate Services to make offers of compensation to the owners of lands in the City of Vaughan, as set out in Attachment 1, which were acquired in accordance with the *Expropriations Act* (the "Act").

2. Purpose

This report seeks Council approval to serve offers of compensation under section 25 of the *Act* to owners whose lands have been expropriated for the West Vaughan Sewage Servicing project, in the City of Vaughan. The locations of the properties are shown on Attachment 2.

Private Attachment 1 to this report will be considered in private session as it relates to the acquisition of land by the Region.

3. Background and Previous Council Direction

The Water and Wastewater Master Plan identifies a need to expand the Regional trunk sanitary sewer system

In <u>April 2016</u>, the Region completed the York Region Water and Wastewater Master Plan update. This study identified a need for additional sewage servicing capacity to meet the projected growth in West Vaughan.

The West Vaughan Sewage Servicing Project includes a 14.3 kilometer sewer tunnel from the Kleinburg Water Resource Recovery Facility to the Humber Sewage Pumping Station in Woodbridge. The scope of work also includes construction compounds, maintenance shafts, and the construction of a new pumping station to replace the existing Humber Sewage Pumping Station.

This Sewer System Project has three components

The West Vaughan Sewage Servicing Project has three distinct components, 1) the Humber Sewage Pumping Station will have a new building, but the existing building will be kept for storage, 2) the West Vaughan Trunk Sewer Phase I, and 3) the West Vaughan Trunk Sewer Phase II.

The Environmental Assessment was completed in 2013, and the Addendum in 2016

The Region completed a Municipal Class Environmental Assessment (Class EA) "Schedule C" process in 2013. A Class EA Addendum was completed in 2016 to address beneficial changes to the route alignment and construction methodology. Property requirement changes were identified in the Class EA Addendum. The property required is in accordance with the Class EA and the Class EA Addendum.

Project construction is scheduled to commence in 2021

The construction of the new Humber Sewage Pumping Station is scheduled to commence in 2021 and construction of the sewage tunnel is scheduled to commence in 2023. This work was identified in the Region's approved 10-year Capital Plan.

The project requires fee simple, permanent easement, permanent sub-surface strata easement and temporary easement interests for the Humber Sewage

Pumping Station, maintenance shafts and the tunnel corridor. The Class EA and the Class EA Addendum show permanent easements and temporary easements for staging during construction. Construction of the tunnel portion is scheduled for completion by 2028.

Staff continue to negotiate with affected owners

Staff continues to negotiate with property owners to obtain the required lands by 2019. Pursuing the required lands through the expropriation process while land negotiations are underway provides certainty that the tender and construction processes will proceed on schedule.

Council previously approved expropriations for the project

In <u>January 2018</u>, Council authorized expropriations for four property owners. One owner did not receive delivery of the first notices within the prescribed time, and the decision was made to re-start expropriation for this owner. Another owner submitted a development application, and has been removed from the expropriation process until 2019 while negotiations occur.

This report seeks Council authorization to serve offers of compensation

This report requests Council authorization to issue offers of compensation to the two owners that are the subject of this report. This is the third of three steps in the Council approval process for property expropriation, as indicated in Figure 1 below.

Figure 1

Step 3 - Compensation

Step 1
Application
(Approved January 2018)

Step 2
Approval
(Approved January 2018)

Compensation

4. Analysis and Implications

The acquisition and expropriation process for the project has proceeded for two properties

The properties that are the subject of this report are two of four properties approved for expropriation at January 2018 Council.

The Region acquired title to the lands when the expropriation plans were registered at the Land Registry Office. Although the Region has ownership, possession is only obtained after the owner has been served with an offer of compensation. The owners were served with a Notice of Possession in June, 2018, with a possession date of September 27, 2018.

Independent appraisal reports provide the value which forms the basis of the offers

Independent appraisals have been commissioned to provide the offers of compensation. Section 25 of the *Act* requires the Region to make two offers of compensation to an owner. The first is an offer of full compensation for the market value of the lands expropriated. If the owner accepts the offer, then the owner, with a few exceptions, accepts the offer in full satisfaction of any claims the owner may have with respect to the expropriation. The second is an offer to pay the owner the market value of the lands expropriated, but permits the owner to make a future claim for additional compensation in accordance with the *Act*.

Environmental due diligence is under way

As part of the environmental due diligence process, Phase One and Phase Two Environmental Site Assessments (ESA) were conducted on Property 1 on Attachment 1. No significant environmental issues were identified on Property 1 and no further action is required on this property.

A Phase One ESA was also conducted on Property 2 on Attachment 1. Based on the results of the Phase One ESA, a Phase Two ESA will be completed to confirm the presence or absence of environmental impacts identified in the Phase One ESA. In the event environmental impacts are identified, staff will take the necessary steps to minimize the Region's exposure to environmental risk and liability and may report to Council with recommendations.

5. Financial Considerations

The funding required to complete the property acquisition that is the subject of this report is included in the 2018 Environmental Services Capital Budget.

6. Local Municipal Impact

The West Vaughan Sewage Servicing Project will benefit the City of Vaughan by providing additional servicing capacity for the development of the City's lands.

7. Conclusion

The West Vaughan Sewage Servicing Project has three phases. Construction of the first phase has been scheduled for 2021, but land is required by 2019.

Expropriation normally requires 18 months from commencement to possession. Council is requested to complete the expropriation process so that the lands are in the Region's possession by 2019.

For more information on this report, please contact Michael Shatil, Director, Property Services at 1-877-464-9675 ext. 71684.

The Senior Management Group has reviewed this report.

Recommended by: Approved for Submission:

Dino Basso Commissioner of Corporate Services Bruce Macgregor Chief Administrative Officer

August 16, 2018

Attachments (2)

Private Attachments (1)

eDOCS #8801423

Accessible formats or communication supports are available upon request

Property Schedule Compensation for Expropriation West Vaughan Sewage Servicing Project

No.	Owner	Municipal Address	Legal Description	Interest Required
1.	Overiver Holdings Limited	Vacant land south of Wallace Street Vaughan	Parts 1, 2, 3, 4, 5, Plan YR2836513	Permanent Easement
			Parts 6, 7, 8, Plan YR2836513	Permanent Sub- surface Strata Easement
2.	1626740 Ontario Limited	7642 Islington Avenue Vaughan	Part 1, Plan YR2836486	Permanent Easement
			Part 1, Plan YR2836459	Temporary Easement

The temporary easement is required for 180 days following the registration of the expropriation plan, for the purpose of obtaining access to drill three boreholes and obtain soil and rock profile information necessary to complete the Phase Two Environmental Site Assessment.

The permanent easements required are described as a limited interest in perpetuity being a permanent easement or rights in the nature of a permanent easement in, under, over, along and upon and for municipal purposes including, but not limited to, entering on the lands with all vehicles, machinery, workmen and other material (i) to construct and maintain permanent municipal infrastructure which may include installation, maintenance, relocation and/or removal of a sanitary trunk sewer and ancillary installations, (ii) for construction purposes which may include, but are not limited to, (1) relocation of existing services and utilities, (2) staging and storage of materials and equipment, (3) geo-technical testing, borehole testing, and other investigative works, (4) removal, relocation and/or installation of signage, (5) hard and soft landscaping, paving, grading and reshaping the lands to the limit of the reconstruction of municipal roads, (6) the installation and removal of temporary (i) pedestrian access and walkways, (ii) parking measures including re-striping of aisles. lanes, and parking stalls, (iii) shoring and formwork, (iv) drainage and erosion/sediment control measures, (v) traffic signals, (vi) fencing, and (vii) handrails, and (7) works ancillary to any of the foregoing and necessary to the works to be performed in association with the purpose of implementing the sanitary sewer known as the West Vaughan Sewage Servicing project.

The permanent sub-surface strata easement required is described as a limited

No.	Owner	Municipal Address	Legal Description	Interest Required
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interest in perpetuity being a permanent easement or rights in the nature of a permanent easement below the surface for municipal purposes including, but not limited to, i) to construct and maintain permanent municipal infrastructure which may include installation, maintenance, relocation, and/or removal of a sanitary trunk sewer and ancillary installations, ii) for construction purposes which may include, but are not limited to, (1) relocation of existing utilities and services, (2) works ancillary to any of the foregoing and necessary to the works to be performed in association with the purpose of implementing the sanitary sewer known as the West Vaughan Sewage Servicing project.

Attachment 2

