

***For consideration by the Priorities and Key Initiatives Committee
of the City of Vaughan
on May 27, 2013***

1

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

- ii. Weighing the potential risks and benefits of entering into such agreements;
- iii. Developing implementation guidelines and processes for developments proposing Stratified Title Arrangements;
- iv. Determining appropriate contributions by the Landowner/Applicant to the City in instances where Stratified Title Arrangements are considered appropriate;
- v. Identifying policies, that would need to be amended and developed in order to permit Stratified Title Arrangements in instances where arrangements might be supportable;
- vi. Determining what agreements would need to be entered into by the City and the Applicant in order to protect the City's current and future interests; and
- vii. Exploring alternative options that may accomplish the same objectives as Strata Title Arrangements.

Contribution to Sustainability

Strata Title Arrangements have the potential to assist in achieving the pedestrian friendly and transit supportive higher density development envisioned for Vaughan's intensification areas such as the Vaughan Metropolitan Centre (VMC) and thereby contribute to the overall sustainability and viability of the City.

Any future policies arising from this information report must be consistent with the goals of Green Directions Vaughan, the City's Community Sustainability and Environmental Master Plan.

Economic Impact

The City's 2011 Capital Budget for the Policy Planning Department included \$15,000.00 of funding for the cost of initial research work related to this topic. It is expected that the costs and staff efforts to implement Strata Title Arrangements will be onerous for the proponent and the City. Discussions with others indicate that \$50,000 in legal fees may be required to respond to proposals for the use of Strata Title Arrangements associated with major redevelopment proposals which includes but is not limited to fees for meetings, reviews, drafting and execution of legal agreements. However, since the City has not yet implemented any Strata Title Arrangements the costs are unknown. It is the intent that all future costs for the review and consideration of Strata Title Arrangements associated with a development application will be borne by the landowner seeking the use of strata arrangements as part of their proposed development concept. Long term maintenance, liabilities and operating costs will be addressed through site-specific agreements. Detailed approvals and costing exercises will be required in support of any future site-specific arrangements.

Communications Plan

On March 23, 2012 a request for comments on the six guiding principles contained in the *Winco Management Group Inc. Planning Advice Report* was circulated to both internal staff and external agencies as well as stakeholders within the Vaughan Metropolitan Centre (VMC). This report was referenced in the January 26, 2012 Stratified Parking Arrangements report to the Vaughan Metropolitan Centre Sub-Committee of Council respecting Strata Title Arrangements.

Purpose

The purpose of this report is to provide the Vaughan Metropolitan Centre Sub-Committee of Council with an update on the research and findings respecting Stratified (Strata) Title Arrangements, as well as providing a preliminary set of revised guiding principles for Committee and Council endorsement

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

as a basis for assessing proposals for stratified parking, which expands on those provided by the *Winco Management Group Inc. Planning Advice Report* dated October 17, 2011.

Location

Strata Title Arrangements can be applied city-wide given the right circumstances. Currently stratified parking arrangements are being contemplated by developers and transit agencies in the Vaughan Metropolitan Centre (VMC). The Vaughan Metropolitan Centre will comprise a range of development precincts including primarily residential neighbourhoods, high-rise residential/commercial mixed-use districts, and employment/technology areas. The projected growth target for the Vaughan Metropolitan Centre is 12,000 residential units and 6,500 new jobs by 2031.

Background - Analysis and Options

Since 2011, the City of Vaughan has been considering the potential merit in permitting Strata Title Arrangements for certain public lands, such as municipal rights-of-way and public parks, in order to accommodate private and public sector (mainly transit agencies) uses including underground parking garages, underpasses, overpasses and other building related elements.

Strata title is a determination of ownership or use of land divided both in a horizontal and vertical manner, and can be above and/or below grade. A condominium is a statutory strata title arrangement. Non-condominium strata title can be created at common law, and strata title co-owners can enter into agreements between themselves (sometimes called a reciprocal operating agreement) to deal with cross easements, permitted uses, repairs and replacements, insurance and indemnity, amongst other matters. A municipality can be a co-owner in a Strata Title Arrangement.

Landowners in the VMC have expressed interest in accommodating underground parking facilities situated beneath future public parks and municipal rights-of-way.

The City has been reluctant to entertain such agreements due to risks associated with Strata Title Arrangements including contingent liability.

Despite recognition of City concerns a number of landowners within the VMC requested the City to consider this arrangement due to the existence of a high water table beneath certain subject lands, which limit depth and cost effective subsurface parking and increase costs for each subsequent level of parking below grade.

To address landowner and transit agency requests, in 2011, the City retained Winco Management Group Inc. to assess the merit of the City of Vaughan entering into Strata Title Arrangements with private sector landowners, particularly in the Vaughan Metropolitan Centre (VMC) and other significant intensification areas.

The Winco Planning Advice Report considered the City of Vaughan entering into Strata Title Arrangements for certain public lands (being public rights-of-way and parks). The arrangement would be utilized to accommodate private underground parking garages and other building related elements.

The Planning Advice Report also provided the following 6 guiding principles for consideration when reviewing proposals for Strata Title Arrangements.

1. Accommodating Strata Title Arrangement(s) could significantly contribute to the realization of the City's public policy objectives as set out in the City's Official Plan documents.
2. Not accommodating some Strata Title Arrangements(s) would likely frustrate the timely achievement of the City's public policy objectives as set out in the City's Official Plan documents.

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

3. The prime purpose and functionality of the affected public realm property should not be materially compromised.
4. The burdens of accommodating such arrangements as well as any related future responsibilities should be directly assumed by the proponent (landowner) or the successor owner.
5. There should be some reasonable contribution by the proponent/landowner to the City such as enhanced site improvements, amenity facilities or monetary.
6. All such accommodations should be considered on a case-by-case basis, based on context and technical justification and should be discretionary in favour of the City.

In January of 2012 the Policy Planning Department brought a report to the Vaughan Metropolitan Centre Sub-Committee of Council summarizing the findings in the *Winco Management Group Inc. Planning Advice Report* (see Attachment #1). The Policy Planning Report also provided examples of Stratified Title Arrangements or other stratified arrangements in other municipalities within the GTA; it described existing characteristics/conditions conducive to permitting Strata Title Arrangements, outlined the 6 guiding principles listed above and provided next steps.

Subsequently, the Policy Planning Department circulated a request for comments dated March 23, 2012, soliciting the input of internal and external agencies, as well as stakeholders from the development industry specifically within the VMC. Policy Planning also met with City staff from the Development/Transportation Engineering Department, Parks Department, Legal and Real Estate Services, Financial Services, Building Standards Department and Development Planning Department to discuss and further develop a set of guiding principles respecting Strata Title Arrangements specific to the City's requirements. Throughout this period Policy Planning staff also continued to research the topic and contact other municipalities to discuss their experiences with Strata Title Arrangements.

In February of 2013, a report titled *Discussion Paper on Strata Title Arrangements, Key Issues and Guiding Principles* was distributed to City of Vaughan's Senior Management Team to encourage further discussion on the topic of Strata Title Arrangements.

Other Implementation Tools and Arrangements

Due to the complexity and recognizing the potential for risk associated with Strata Title Arrangements, staff has also looked into the potential of achieving the same physical arrangement of land uses (e.g. parkland above a private underground parking facility) by employing other implementation tools. Other potentially viable options include entering into temporary encroachment agreements, and easement arrangements/agreements which are registered on title in favour of the City which would allow for the lands above grade to remain in private ownership but be publically accessible. Another option would involve land leases for extended periods of time in favour of the City. Example of both types of alternative arrangements exist in neighbouring municipalities and should be further investigated to determine the merits of proceeding with an easement or long term lease agreement as opposed to a Strata Title Arrangement.

Focus and Scope of the February 12, 2013 Discussion Paper

The focus of the February 12, 2013 Discussion Paper was to provide a review and analysis as well as draft guiding principles for the discussion of Strata Title Arrangements. The discussion paper goes further to provide an analysis of some of the legal considerations of Strata Title Arrangements and a review of the guiding principles which were contained in the *Winco Management Group Inc. Planning Advice Report* and discussed in the January 26, 2012 Report to the Vaughan Metropolitan Centre Sub-Committee of Council. The following guiding principles have been proposed:

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

Guiding Principles for Strata Title Arrangements

It was determined through discussions with City of Vaughan staff that guiding principles for Strata Title Arrangements should reflect, in some cases, the different considerations when a Strata Arrangement is part of a public park versus a public right-of-way. Therefore, the first set of principles applies generally to Strata Arrangements and the second set applies more specifically to public park strata arrangements:

1. Accommodating Strata Title Arrangements may contribute to the realization of the City's public policy objectives as set out in the City's Official Plan.
2. Not accommodating some Strata Title Arrangements may frustrate the timely achievement of the City's public policy objectives as set out in the Official Plan.
3. The City will explore and exhaust all other alternatives before entering into a Strata Title Arrangement agreement and will only do so when there is a compelling technical reason or advantage accrued to the City.
4. All such accommodations should be considered on a case-by-case basis, based on context and technical justification and should be discretionary in favour of the City.
5. All private uses of a stratified property should be designed so as to minimize their impact on the usage of related public property and that the design of such facilities should be conducted in consultation with the municipality, subject to revision and approval by the City.
6. There should be some reasonable contribution by an Applicant to the City such as enhanced site improvements, amenity facilities or monetary contributions. An increased level of service/standard should be required in return for the loss of municipal flexibility.
7. The City and an Applicant should enter into a legally binding agreement (a reciprocal operating agreement) to protect the City with respect to any given strata title property and that agreement should be approved by Council or its' designate. A detailed design, construction and financing agreement for the arrangement will be required as part of the Agreements under Plan of Subdivision, Condominium or Site Plan consent. The proposed reciprocal operating agreement shall apply for the duration that the property remains stratified, and will apply to any new owner or occupant should the original Applicant relinquish ownership of the property.
8. The City and any Applicant would agree on the physical limit between the municipal and the private ownership to the satisfaction of the City.
9. The City should retain sole and full control of all lands adjoining an Applicant's land within the boundaries of the Strata Title Arrangement. Activities taking place on an Applicant's land should not interfere with the usage of lands owned by the City or increase its risk.
10. The City should not be responsible or liable for any present or future costs associated with maintenance, remediation or improvements to resources owned or operated by an Applicant under this agreement.
11. In consideration of a Strata Title Arrangement, an Applicant should be financially responsible for any incremental capital, maintenance, life cycle and renewal costs associated with municipal infrastructure based on a 20 year time frame.
12. In consideration of the burden borne by the City for accommodating a Strata Title Arrangement and the subsequent limitations placed upon public lands, any Applicant should provide to the City:

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

- a. A one-time monetary payment, negotiated by the City and the Applicant, to be used to increase the quality and standard of service for all municipal lands subject to the agreement; and,
 - b. An annual recurring monetary payment to be deposited by the City into a dedicated reserve fund for the purpose of protecting the City against any financial risks created by entering into the agreement and to fund any necessary long term capital improvements.
13. An Applicant should adhere to all existing City standards regarding the finance, construction maintenance and management of whatever use will be carried on, on a stratified property. It is the expectation of the City that an Applicant will engage in prudent maintenance and asset management practices that are in keeping with the City's own best practices in order to minimize physical and financial risk to both parties.
14. Strata Title Arrangements for municipal rights-of-way and City parks involving subsurface underground structures should be fully designed and constructed to ensure appropriate structural strength, waterproofing, maintenance, servicing, programming integration and compatibility.
15. A detailed agreement for the costs and responsibility for operations, maintenance and a capital replacement reserve for the Strata Arrangements should be developed between the City and an Applicant.
16. The City should avoid engaging in multiple Strata Title Arrangements across a single property, and Strata Title Arrangements should only be conducted with one partner at a time to reduce the risk of further liability and legal confusion.
17. Long term security for the public asset should be protected for, where a public easement rather than a Strata Title Arrangement is used as the sharing mechanism.

For Strata Title Arrangements where the public facility is a public park, the following additional guiding principles shall apply:

Strata Principles for Public Parks:

1. All Strata Title Arrangements where the public facility is a park should be, together with the air rights above it, in public ownership as dedicated parkland.
2. The City should retain sole and unencumbered control of the surface lands above the strata title underground structure in the park, and would operate the park as part of the City's public parkland network system.
3. In return for the City's loss of flexibility for the Park, the City and applicant should agree to fund and deliver the park to an "improved urban standard in character and quality, contributing to a compact urban form", which will increase the current City wide parkland level of service. The contribution of additional funds above the City wide parkland level of service will need to be agreed upon and developed between the City and the applicant.
4. All surface strata to be conveyed to the City for use as public park should be free of all surface easements, structures and systems that would have a negative impact on the design, construction and use of the proposed public park facilities.
5. The conveyance of a park to the City that is above a separately owned strata title parcel, if considered, should be based on partial parkland credits and should be based on an

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

appropriate formula/calculation as deemed appropriate by the City. This formula/calculation should take into account the potential additional costs of the development and maintenance of a park block encumbered by a strata system into consideration and the limited uses that may be inherent with this type of land development.

It should be noted that testing the principles against realistic development scenarios is required prior to finalizing the list and implementing the principles.

Next Steps

Further consultation and testing of principles against proposals for strata arrangements with City departments including but not limited to City of Vaughan Legal Services, Parks Development, Financial Services, Building Standards and Development/Transportation Engineering, Development Planning and Public Works, as well as landowners is necessary to provide input or proposals for strata arrangements prior to implementation.

Testing development scenarios with respect to Strata Title Arrangements will be required prior to finalizing the above principles and recommending an approach to Council.

To help inform our advice and to test principles against current proposals Legal Services has retained Aird and Berlis to assist the City in addressing the following questions:

1. Determine if Strata Title Arrangements are a feasible option for development in the Vaughan Metropolitan Centre and potentially other significant Intensification Areas;
2. Weigh the possible risk against potential benefits of entering into such agreements;
3. Develop implementation guidelines and processes specific to differing types of Strata Title Arrangements;
4. Develop tools to determine appropriate contributions by Landowner (Proponent) to City in instances where Stratified Title Arrangements are considered appropriate;
5. Identify the policies that would need to be amended and developed in order to permit Stratified Title Arrangements in instances where arrangements are supportable;
6. Determine what agreements need to be entered into by the City and the Landowner (Proponent) in order to protect the City's current and future interests;
7. Explore and discuss alternative options which accomplish the same objectives as Strata Title Arrangements.

The review by staff and outside experts will occur prior to Council being asked to implement private sector proposals.

Relationship to Vaughan Vision 2020/Strategic Plan

The research provided through the Planning Advice Reports on Strata Title Arrangements is consistent with the priorities set by Council in the Vaughan Vision 2020 Plan, and in particular with the City's commitment to "plan and manage growth and economic vitality."

Regional Implications

The Strata Title Arrangements may help to achieve density targets for Key Intensification Areas defined within the Region of York Official Plan.

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

Conclusion

Continued research has informed staff about the potential benefits and risks to the City of accommodating Strata Title Arrangements and ultimately entering into Strata Title Agreements. Such arrangements would only be employed in the case of high density urban development, such as the form of development being proposed in the Vaughan Metropolitan Centre and possibly other Intensification Areas. From the research conducted to-date we can conclude that accommodating Strata Title Arrangements may contribute to timely achievement of development in planned high density areas; and that in, addition a municipality can secure enhancements and/or financial savings related to the public facilities and elements which are the subject of the arrangement. However, it also outlines the potential risks and legal considerations that entering into Strata Title Agreements can potentially create for the City.

Furthermore, research has also been conducted on the particulars of Strata Title Arrangements in order to develop a preliminary set of guiding principles which specifically address the City's needs and work towards ensuring the City is protected from any future costs if it is determined that Strata Title Arrangements are to be considered a desirable form of development. Legal Services has retained Aird and Berlis to assist the City in addressing questions and developing procedures critical to protecting the City's interests respecting Strata Title Arrangements.

Attachments

1. Strata Parking Arrangements – January 26, 2012 Report to the Vaughan Metropolitan Centre Sub-Committee of Council

Report prepared by:

Arminé Hassakourians, Planner, ext. 8368

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

**2 UNDERGROUND RELOCATION OF HYDRO TRANSMISSION LINES
VIVA RAPIDWAY PROJECT – H2 VMC SEGMENT
WARD 4**

The Vaughan Metropolitan Centre Sub-Committee recommends that the following recommendation and report be forwarded to the Priorities and Key Initiatives Committee meeting of April 15, 2013:

- 1) That staff explore funding options through Federal/Provincial infrastructure grants for the undergrounding of hydro transmission lines and utilities along Highway 7 and Jane Street in the Vaughan Metropolitan Centre;
- 2) That the recommendation contained in the following report of the Commissioner of Engineering and Public Works and the Commissioner of Planning, dated April 11, 2013, be approved and referred for consideration by Council;
- 3) That the presentation by the Director of Development and Transportation Engineering, and C4, presentation material, be received; and
- 4) That the following deputations be received:
 1. Mr. Giovanni Marcelli, Potestas Properties, Jane Street, Concord; and
 2. Ms. Paula Bustard, SmartCentres, Applewood Crescent, Vaughan.

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

Recommendation

The Commissioner of Engineering and Public Works, and the Commissioner of Planning, recommends:

1. THAT staff work with York Region Rapid Transit Corporation, York Region, PowerStream, utility companies, and the landowners to pursue the undergrounding of the hydro transmission lines along Highway 7 and Jane Street in the VMC;
2. THAT staff explore funding options for the undergrounding of the hydro transmission lines and utilities on the north side of Highway 7 west of Jane Street in conjunction with the VivaNext H2-VMC Rapidway Project including cost-sharing agreements with key stakeholders, and report back to the Vaughan Metropolitan Centre Sub-Committee Meeting in June 2013;
3. THAT the Region of York be requested to protect sufficient space along the VivaNext Rapidways within Regional Centres and Corridors to provide for the undergrounding of the hydro transmission and utility lines in the future to the satisfaction of the City and PowerStream; and
4. THAT a copy of this report be forwarded to the Region of York, York Rapid Transit Corporation and PowerStream.

Contribution to Sustainability

The H2-VMC Viva Rapidway project will provide higher order transit infrastructure to support compact urban form and offer an alternative mode of transportation to the single occupant vehicle. Rapid transit in the City will stimulate the establishment of transit orientated development, especially in the Vaughan Metropolitan Centre.

Economic Impact

There are no immediate economic impacts associated with the recommendations of this report.

Communications Plan

There is no specific communication plan associated with this report other than to forward a copy of this report to York Region, York Region Rapid Transit Corporation and PowerStream.

Purpose

The purpose of this report is to respond to Council's direction to provide information on the opportunity for the underground relocation of the existing hydro transmission lines along the H2-VMC section of the Viva Rapidway project.

Background - Analysis and Options

The Vaughan Metropolitan Centre Sub-Committee, at its meeting on February 14, 2013, directed staff to report to the next Sub-Committee meeting on the undergrounding of utilities along Highway 7.

Construction of the York Region VivaNext Bus Rapidway is underway

When completed, the VivaNext Bus Rapidway project will establish 41 kilometres of rapid transit corridor along Highway 7, Yonge Street and Davis Drive. The Rapidway is expected to be completed by 2018 and cost an estimated \$1.4 billion. This project is part of the first wave of the Metrolinx Big

Move.

The construction of the Rapidway project is being phased. The first phase of the project in Vaughan extends along Highway 7 from Edgely Boulevard to approximately Bowes Road. This phase of the project is referred to as H2-VMC and is scheduled to be completed concurrently with the opening of the Toronto-York Spadina Subway Extension in 2016.

During the initial stages of the Rapidway project, York Region Rapid Transit Corporation and PowerStream completed a hydro line relocation study

The construction of the Rapidway necessitates the widening of the existing roadway corridor and the relocation of many of the existing services including the hydro distribution lines. Accordingly, in February 2009, York Region Rapid Transit Corporation (YRRTC) and PowerStream released a consultant report (Giffels Associates Limited/IBI Group) that investigated the technical options and impacts of relocating the existing hydro lines using overhead pole line construction or underground plant. The report also examined in detail the potential mechanisms for funding the incremental costs to undergrounding the hydro lines in key urban sections of the Rapidway.

On March 26, 2009, Regional Council received Report No.4 of the Rapid Transit Public/Private Partnership Steering Committee on the matter entitled "Opportunities for Financing the Underground relocation of Power Transmission Lines Along the Viva Rapidways". A copy of this report is included as Attachment No.1 to this report.

The incremental cost to underground the hydro lines in key urban locations in Vaughan was estimated at over \$46 million

Based on input from Vaughan staff, the 2009 hydro relocation impact study examined three specific segments along the Rapidway in Vaughan that were considered to be the most desirable locations for hydro undergrounding. These three segments were:

- Highway 7 from 200 metres east of Creditstone to Ainsley Grove Road (2.7 km)
- Highway 7 from Pine Valley Drive to 500 metres west of Kipling Avenue (2.0 km)
- Centre Street from Bathurst Street to Dufferin Street (1.9 km)

Based on the findings of the study, the incremental cost associated with burying the hydro lines in the above noted segments was estimated at approximately \$46 million. This estimate was based on the assumption that the capital cost of undergrounding hydro is seven times more expensive than overhead construction (\$1.0 million/km verses \$7.0 million/km).

A full suite of funding options were examined as part of the hydro line relocation study

The 2009 IBI Group hydro line relocation study examined eight potential funding sources and mechanisms for the incremental cost associated with undergrounding the hydro lines. In addition, the City of Markham recently investigated three further funding options including cost sharing agreements between key stakeholders. A summary of these potential funding mechanisms is provided in Attachment No.2 to this report.

YRRTC is proceeding based on an overhead pole line construction

Based on the findings of the 2009 IBI Group hydro line relocation study, and the lack of identified funding for the incremental cost of burring the hydro transmission lines, YRRTC is proceeding to relocate the existing hydro lines along the Rapidway corridor using overhead pole line construction.

Construction of the H2-VMC VivaNext Rapidway in Vaughan is scheduled to commence in early Summer 2013

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

The first stage of the VivaNext Rapidway in Vaughan extends along Highway 7 from approximately Edgely Boulevard to Bowes Road, and is referred to as the H2-VMC segment. This phase of the project is scheduled to be completed concurrently with the opening of the Toronto-York Spadina Subway Extension in 2016.

The design of the H2-VMC segment is almost complete. YRRTC staff has advised that the construction of the road and Rapidway works in H2-VMC will be carried out in three stages due to property and construction coordination considerations. The three stages and their respective tentative construction start date are as follows:

Stage 1: Highway 7 from Jane Street to CN Bridge (June 2013)

Stage 2: Highway 7 from CN Bridge to Bowes Road (September 2013)

Stage 3: Highway 7 from Jane Street to Edgely Boulevard (June 2014, coordinated with the subway construction)

One of the first steps in the construction program is the relocation of the existing utilities starting with the hydro lines.

Segments of the existing hydro pole lines in the VMC are key elements of the electrical distribution system

Based on a recent meeting with PowerStream, staff was informed that the primary hydro system servicing the VMC area extends along Jane Street and then travels easterly along the north side of Highway 7. This primary system comprise of five main circuits. A smaller two circuit 27.6 KV system extends along the north side of Highway 7 west of Jane Street to beyond Highway 400.

Underground the existing hydro lines along Highway 7 east of Jane Street can no longer be accommodated in the VivaNext project, without significant delays, and associated additional delay costs

Based on the VivaNext Rapidway project schedule, PowerStream has completed the design of the hydro pole relocation for the first stage of the project, which is Highway 7 from Jane Street to CN Bridge. The relocation of these hydro poles is expected to start in the next couple of months. Because of the number of existing circuits on this section of the corridor and to maintain minimum safety clearance requirements, the hydro lines on Highway 7 east of Jane Street are proposed to be split and relocated on both the north and south sides of the road. The hydro lines will be relocated onto new wood poles, which will be approximately 90 feet in height.

Given the advanced stage of this work, YRRTC staff has advised that converting to an undergrounding option for this segment of Highway 7 will result in a minimum nine month delay in the project and expose YRRTC to the potential for contractor delay claims ranging between \$2.0 and \$5.0 million. In addition, the funding source for the incremental cost to underground the hydro lines, estimated at approximately \$10 million, would need to be identified immediately.

Accordingly, undergrounding the hydro lines along Highway 7 east of Jane Street cannot be done at this time without significantly delaying the Rapidway project and incurring considerable additional expense.

A window of opportunity exists to pursue the undergrounding of the hydro lines on Highway 7 west of Jane Street.

The design of the hydro relocation for Stage 3 of the Rapidway project (Highway 7 from Jane Street to Edgely Boulevard) is still in the preliminary stages. Given the relocation of the hydro poles cannot commence until the construction of the subway within the Highway 7 corridor is substantially completed in the summer of 2014, there is an opportunity to explore the undergrounding option in this segment of Highway 7 further.

PowerStream staff has advised that the current plan is to relocate the existing hydro lines, consisting of two 27.6 KV circuits, on the north side of Highway 7 and make provisions for an additional two circuits when needed in the future to service the development in the VMC. In addition, the TYSSE project has already committed to pay the incremental cost of undergrounding the hydro lines within subway corridor. Accordingly, the current relocation plan is to have a pole line on the north side of Highway 7 from Jane Street to Millway Avenue, underground hydro across the subway corridor, and then a pole line westerly beyond the subway corridor as shown on Attachment No.3

Based on a cursory review, PowerStream staff believes it is technically feasible to underground the entire line west of Jane Street within the corridor currently set aside for the pole line. After accounting for the funds that have already been committed by YRRTC and PowerStream for the planned hydro pole line relocation, the additional cost to underground this system is roughly estimated at \$5.0 million.

One of Vaughan's city building objectives continues to be that hydro lines along the Rapidway in the VMC be undergrounded

There are many urban design benefits of undergrounding the hydro lines including visual aesthetics, less cluttered streetscapes and pedestrian zones, and eliminating the need for substantial horizontal/vertical safety clearances between aerial hydro lines and adjacent structures/trees. Accordingly, one of Vaughan's city building objectives is to have the hydro lines buried in the VMC to provide a streetscape that is compatible with a downtown urban core environment.

Underground hydro may reduce the building setbacks along Highway 7 and provide a streetscape that is conducive to urban downtown.

According to electrical safety codes, a minimum clearance of 3.0m must be maintained between an aerial hydro lines and an adjacent building as shown on Attachment No.4. If the hydro lines were undergrounded then this clearance requirement would no longer apply.

The proposed alignment of the hydro pole line varies along Highway 7 as does the location of adjacent buildings. If the hydro lines were buried, it is possible that some buildings could be set closer to Highway 7 resulting in the potential for larger building foot prints and a better streetscape. Accordingly, the adjacent landowners may be willing to pay the incremental cost of undergrounding the hydro to derive these benefits.

Markham and Newmarket are also reviewing the undergrounding of hydro along the Rapidway

Both the City of Markham and the Town of Newmarket are currently reviewing the opportunities to underground the hydro lines along their respective segments of the Rapidway. In their review to date, funding the incremental cost of undergrounding has been the biggest challenge. The Town of Newmarket is currently looking at protecting a corridor along the Rapidway to facilitate the undergrounding of the hydro in the future.

The undergrounding of hydro in the VMC requires further review

Given the construction staging of the Rapidway, a window of opportunity exists to pursue the underground the hydro along Highway 7 west of Jane but it requires additional technical review and an adequate source of funding. Accordingly, staff is recommending that further consultation take place between City staff and the various stakeholders, and that a supplementary report be brought forward to the VMC Sub-Committee meeting in June 2013.

Going forward, York Region should be requested to protect a corridor of sufficient space along the Rapidway in the Regional Centres and Corridors to provide for the undergrounding of the hydro lines in the future to the satisfaction of the City and PowerStream.

**REPORT NO. 2 OF THE VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE
FOR CONSIDERATION BY THE PRIORITIES AND KEY INITIATIVES COMMITTEE
MAY 27, 2013**

Relationship to Vaughan Vision 2020

In consideration of the strategic priorities related to Vaughan Vision 2020, the recommendations of this report will assist in:

- The pursuit of excellence in service delivery;
- Planning and managing growth, and economic vitality; and
- The demonstration of leadership and promotion of effective governance.

Specific Strategic Plan Initiatives applicable to the recommendations made in this report include Vaughan's corporate priorities to support and plan high capacity transit at strategic locations throughout the City. Accordingly, this report is consistent with the priorities previously set by Council.

Regional Implications

York Region Rapid Transit Corporation is the proponent of the H2-VMC Rapidway project. The undergrounding of utilities is consistent with the Region of York Official Plan policies so the Region should provide sufficient space in their right-of-ways to accommodate undergrounding within Regional Centres and Corridors.

Conclusion

York Region Rapid Transit Corporation (YRRTC) and PowerStream released a consultant report (Giffels Associates Limited/IBI Group) that investigated the technical option and impacts of relocating the existing hydro lines using overhead pole line construction or underground plant. Based on the findings of this study and the substantial cost associated with undergrounding hydro systems, YRRTC has proceeded with the design of the Rapidway using overhead pole line construction.

Given the advanced stage of the design and construction of the Rapidway project, it is not feasible to underground the existing hydro lines along Highway 7 east of Jane Street without seriously impacting the schedule of the Rapidway project and exposing the City and YRRTC to substantial contractor delay claims.

However, there is an opportunity to explore the undergrounding, and options for the incremental funding required, of the hydro line along the north side of Highway 7 west of Jane Street within the limits of the VMC. Should Council wish staff to pursue this opportunity further, then the recommendations of this report should be adopted.

Attachments

- Attachment 1: Report No 4. of the Rapid Transit Public/Private Partnership Steering Committee, adopted by Regional Council on March 26, 2009 Location Plan
- Attachment 2: Summary of Funding Mechanisms
- Attachment 3: Hydro location Plan
- Attachment 4: Plan showing electrical safety clearance requirements

Report prepared by:

Andrew Pearce, Director of Development /Transportation Engineering, Ext 8255

(A copy of the attachments referred to in the foregoing have been forwarded to each Member of Council and a copy thereof is also on file in the office of the City Clerk.)

3 NEW BUSINESS – DEVELOPMENT OF VAUGHAN METROPOLITAN CENTRE

The Vaughan Metropolitan Centre Sub-Committee advises:

- 1) That staff was requested to review the need for revised or additional resourcing strategies to facilitate accelerated development of the Vaughan Metropolitan Centre.**

The foregoing matter was brought to the attention of the Committee by Councillor Yeung Racco.

The meeting adjourned at 3:07 p.m.

Respectfully submitted,

Regional Councillor Michael Di Biase, Acting Chair