

The Regional Municipality of York

Committee of the Whole
Finance and Administration
November 14, 2019

Report of the Commissioner of Corporate Services

Acquisition of Land 320 Eagle Street Town of Newmarket

1. Recommendations

1. Council approve the acquisition of the interest in land set out in Attachment 1, for use as a bus terminal in the Town of Newmarket.
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. Summary

This report seeks Council approval for the acquisition of 320 Eagle Street in the Town of Newmarket for continued use as a bus terminal, as shown on the map in Attachment 2.

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

Key Points:

- Metrolinx owns the transit terminal at the southwest corner of Davis Drive and Eagle Street in Newmarket
- York Region Transit (YRT) leases seven of the 11 bus bays at the terminal
- Metrolinx is selling the property, and the Region is exercising its right of first refusal to acquire the property as per the Bus Terminal Services agreement
- Region staff have successfully negotiated a purchase price
- The property will continue to function as a VIVA and YRT transit terminal, and Metrolinx will relocate its GO Transit operation to an on-street service at Davis Drive and Yonge Street

3. Background

York Region entered into an agreement in 2005 to use the Newmarket bus terminal until 2020

The Region entered into a Bus Terminal Services agreement with Greater Toronto Transit Authority in 2005 to let the Region operate its VIVA and YRT services on a non-exclusive basis within the GO Finch Bus Terminal and GO Newmarket Bus Terminal. The non-exclusive agreement allowed the Region to operate its transit services alongside GO Transit bus services and came into force with effect on January 1, 2005, with a fifteen year term and no provision for extension.

In 2005 York Region commenced Transit operations at 320 Eagle Street

York Region commenced operations at 320 Eagle Street upon finalizing the agreement with Greater Toronto Transit Authority. A total of nineteen routes provide service at Newmarket Transit Terminal. These routes include VIVA Blue and Yellow, 55/55B Davis Drive, 57/57A Mulock Drive, 98/99 Yonge Street and 50 Queensway Drive. The Newmarket terminal has a total of 11 bays, seven of which are currently leased by YRT. Under the terms of the lease, Metrolinx performs all required maintenance. YRT has various owned and proprietary equipment installed at the terminal such as ticketing equipment, bus e-charging stations and Presto smart card system.

Metrolinx has offered to sell the terminal to York Region in accordance with the Bus Terminal Services agreement

The Region has a right of first refusal within the Bus Terminal Services agreement wherein the Region has the first opportunity to purchase the bus terminal for fair market value. In May 2019, Metrolinx offered the Region the opportunity to purchase the Newmarket Bus terminal, in accordance with the right of first refusal. Region staff informed Metrolinx that it wishes to purchase the terminal for the continued operation of the VIVA and York Region Transit services. Metrolinx is introducing double-decker buses on November 4, 2019, that are unable to safely serve the Newmarket terminal due to their overhead clearance requirements. Metrolinx will relocate its GO Transit bus operations to on-street service on Davis Drive and Yonge Street from the facility upon closing.

4. Analysis

Negotiations have been successfully completed

The terminal is an important part of the Region's transit system. Foregoing the acquisition of the subject property would adversely affect the operations of YRT and VIVA. In the event the Region elected not to proceed with the transaction, YRT would need to address the function of its transit system in the area, which may involve having to find an alternate terminal location. It is anticipated that this would involve additional costs as a terminal facility would need to be constructed. In addition, depending on the alternate location, bus routes may need to be revised.

Region staff initiated discussions with Metrolinx for the acquisition of the terminal in May 2019, immediately upon receipt of notice that Metrolinx intended to dispose of the property. Prior to any negotiations the Region had to exercise its right to purchase. Staff has successfully negotiated the purchase price with Metrolinx. In accordance with the Region's Corporate Land Acquisition Policy, two independent appraisals were completed to determine compensation.

Environmental Due Diligence is underway

Geotechnical and environmental due diligence are underway. Any concerns will be addressed in consultation with Legal Services prior to taking possession of the land to minimize any potential risks to the Region.

5. Financial

The funds required to acquire the transit terminal at 320 Eagle Street are included in the 2019 Capital Budget of Transportation Services Department. Transportation Services re-profiled project funding within its 2019 Capital Budget to allocate funds for this purchase.

6. Local Impact

The purchase of the Newmarket transit terminal at 320 Eagle Street will ensure ongoing VIVA and YRT transit services to the residents.

7. Conclusion

Metrolinx has informed the Region of its intention to sell the Transit terminal at 320 Eagle Street and have extended the opportunity to the Region to purchase the terminal in accordance with a right of first refusal agreement between the parties. The purchase of the terminal will enable the Region continued operation of its VIVA and York Region Transit services.

For more information on this report, please contact Michael Shatil, Director, Property Services at 1-877-464-9675 ext. 71864. Accessible formats or communication supports are available upon request.

Recommended by: **Dino Basso**
Commissioner of Corporate Services

Approved for Submission: **Bruce Macgregor**
Chief Administrative Officer

November 1, 2019
Attachments (2)
Private Attachments (1)
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