
TO: GENERAL COMMITTEE

SUBJECT: PROPERTY ACQUISITION TO FACILITATE MCKAY ROAD ROW EXPANSION – REID DRIVE TO WEST OF HIGHWAY 400 (PROJECT EN1257) AND VETERAN'S DRIVE NEW TRUNK WATERMAIN (PROJECT EN1258)

WARD: 7

PREPARED BY AND KEY CONTACT: D. FOX, P. ENG.
ENGINEERING PROJECT MANAGER, (EXT 4301)

SUBMITTED BY: B. ARANIYASUNDARAN, P. ENG.
DIRECTOR OF INFRASTRUCTURE

GENERAL MANAGER APPROVAL: A. MILLER, RPP
GENERAL MANAGER OF INFRASTRUCTURE AND GROWTH MANAGEMENT

CHIEF ADMINISTRATIVE OFFICER APPROVAL: M. PROWSE, CHIEF ADMINISTRATIVE OFFICER

RECOMMENDED MOTION

1. That the Director of Legal Services be authorized to commence negotiation and expropriation proceedings to acquire the properties necessary to facilitate the construction of the McKay Road West Trunk Sanitary Sewer and Roadway Improvements and the Veteran's Drive Trunk Watermain projects including the properties identified on Appendix "A" to Staff Report INF006-21, municipally known as 922 Veteran's Drive and 918 Veteran's Drive (the "Property Requirements").
2. That The Corporation of the City of Barrie make an application to City Council, as approving authority, for approval to expropriate the Property Requirements and that the City Clerk be authorized to execute the necessary forms of application.
3. That the "Notice of Application for Approval to Expropriate" be served and published and that any requests for inquiries received, pursuant to the "Notice of Application for Approval to Expropriate" be forwarded to the Chief Inquiry Officer and the Chief Inquiry Officer be requested to report to Council with respect to any such request.
4. That staff, if necessary, be authorized to negotiate an agreement with members of the Salem Landowners Group and the Salem Trustee to secure funding from the Salem Landowners Group to acquire the Property Requirements in exchange for Development Charge Credits from the City in form satisfactory to the Director of Infrastructure and the Director of Legal Services. Alternatively, staff would negotiate and include these terms as part of the McKay/Veteran's Project and Development Charge Credit Agreement authorized by Council motion 21-G-026.
5. That the Director of Legal Services be delegated authority to settle the expropriation or any negotiated agreements, necessary to acquire the Property Requirements.
6. That the Mayor and City Clerk be authorized to execute all associated and required documents necessary to achieving the recommended motion in a form approved by the Director of Legal Services.

PURPOSE & BACKGROUND

7. The purpose of this Staff Report is to obtain authority to acquire the property necessary for construction of a new trunk sanitary sewer, trunk watermain and road improvements to service the Watersand Construction Ltd. and Wormwood Developments Ltd. and H&H Capital Developments in the McKay Road West and Veteran's Drive area.
8. The construction of the new trunk sanitary sewer, trunk watermain and road improvements are defined within two projects as follows – EN1257 - McKay Road ROW Expansion - Reid Drive to West of Highway 400 and EN1258 – Veteran's Drive New Trunk Watermain - Salem to McKay.
9. Both Projects EN1257 and EN1258 projects are to be delivered by the Landowners subject to the execution of a DC Credit Agreement between the City and Watersand Construction Ltd. (DG Group) and Wormwood Developments Ltd.
10. The City of Barrie conducted various Master Plans in 2013 which identified the water, sanitary and transportation infrastructure required to support growth in the Hewitt's and Salem Secondary Plan Areas.
11. The City undertook a Class Environmental Assessment of the transportation and associated infrastructure improvements required to service and support growth in the Salem Secondary Plan Area. The study process included two formal public meetings. Notices were sent to all property owners and businesses adjacent to the study corridors. The study findings were documented in an Environmental Study Report (ESR) and filed for a 30-day public review. The ESR was filed in October 2017.
12. The infrastructure improvements in the vicinity of the Required Properties are presented in Attachment A.
13. The roadway widening of McKay Road West and Veteran's Drive impact the properties at the northwest corner of the intersection of McKay Road West and Veteran's Drive. In addition to the roadway widening, the profile grade of the roadways is being lifted by over 2 metres, as identified in the Class Environmental Assessment. Drainage and access driveways to the properties would be affected by the grading changes.
14. At the June 19, 2017 Council Meeting, Council endorsed the preferred alternative designs for McKay Road, Veteran's Drive and associated works, and directed the Engineering (Infrastructure) Department to proceed with the detailed design of the preferred alternative design for roadways and municipal services on the successful conclusion of the "Salem Secondary Plan Transportation Improvements Municipal Class Environmental Assessment Phases 3 and 4" (17-G-151) and "McKay Road Interchange and Salem/Lockhart Crossing Municipal Class Environmental Assessment Phases 3 and 4 and Salem Reservoir and Pumping Station Municipal Class Environmental Assessment Phases 1 and 2" (17-G-154), as presented by Staff Report ENG007-17.

ANALYSIS

15. The two infrastructure projects, EN1257 (McKay Road New Trunk Sanitary Sewer and Road Expansion – Reid Drive to Highway 400) and EN1258 (Veteran's Drive New Trunk Watermain – Salem to McKay) are currently in the Capital Plan with construction planned between 2021 and 2026.

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16. Watersand Construction Ltd. and Wormwood Developments Ltd. has proposed to accelerate the sanitary sewer and roadway construction of projects EN1257 and EN1258, and to front-end the associated capital costs. The arrangements for front-ending the capital costs are subject to the execution of the necessary agreements, including a Development Charge Credit Agreement related to construction phases, as presented by Staff Report IGM001-21.
 17. The Property Requirements are necessary for construction of the road widening, new trunk sanitary sewer and trunk watermain that are needed to service the proposed Watersand and H&H Developments in the McKay Road West and Veteran's Drive area, west of Highway 400.
 18. A real estate appraisal for 922 Veteran's Drive and 918 Veteran's Drive was commissioned by Watersand Construction Ltd. and Wormwood Developments Ltd. The appraisal estimated the market value for the properties to be \$2.4M in total.
 19. Representatives of Watersand Construction Ltd. and Wormwood Developments Ltd. and H&H Capital have met with the owners of 922 Veteran's Drive and 918 Veteran's Drive to present an offer for an amicable purchase of the lands. To date this process has been unsuccessful. Therefore, City staff would like to formally begin expropriation proceedings in order to facilitate construction of the infrastructure in a timely manner.

ENVIRONMENTAL AND CLIMATE CHANGE IMPACT MATTERS

20. The following environmental and climate change impact matters have been considered in the development of the recommendation:
 - a) This project has followed the guidelines for a Municipal Class Environmental Assessment (Schedule C), and physical, natural, social, cultural/heritage and economic environmental matters have been considered. The ESR discussed how environmental matters have been considered in the development of the recommended preferred design alternative. The evaluation process considered criteria for natural, social, cultural/heritage and economic environmental matters and physical environment criteria such as traffic, pedestrians, cyclists, transit, property, noise, utilities, municipal services and driveway grades/operations.

ALTERNATIVE

21. The following alternative is available for consideration by General Committee:

Alternative #1

General Committee could choose to alter the recommended motion by not providing the authority to expropriate the Required Properties.

This alternative is not recommended as a delay in acquiring the property necessary to construct the sanitary sewer and watermain could delay the start of the Watersand Construction Ltd. and Wormwood Developments Ltd. and H&H Developments.

FINANCIAL

22. EN1257 and EN1258 are included in the 2021-2030 Capital Plan and sufficient funds have been approved within the Capital Plan for the acquisition of these properties. The funding source is Developer Front Ending.

23. The funding for Project EN1257 and EN1258 are as follows:

Project EN1257 :	Total Funding -	\$44,170,000
	Developer Funding -	\$40,447,000
	City Funding (Tax) -	\$3,723,000
Project EN1258 :	Total Funding -	\$10,248,000
	Developer Funding -	\$10,213,000
	City Funding (Tax) -	\$35,000

24. The Landowner Group that includes Watersand Construction Ltd. and Wormwood Developments Ltd. and H&H Developments have provided a written commitment to provide the funding required for property acquisition as part of the Developer Front Ending.
25. The City and members of the Salem Landowner Group (including the Salem Trustee) will need to negotiate an agreement to address to provision of funding by members of the Salem Landowners Group. This Agreement will detail the funding contribution requirements to be provided to the City by the Salem Landowners and the City's agreement to reimburse the Salem Landowners through Development Charge Credits.

LINKAGE TO 2018-2022 STRATEGIC PLAN

26. The recommendations included in this Staff Report support the following goals identified in the 2018-2022 Strategic Plan:
- ☒ Growing Our Economy
 - ☒ Building Strong Neighbourhoods
 - ☒ Improving the Ability to Get Around Barrie
27. The planned infrastructure improvements are being implemented based on the need to service Barrie's secondary plan areas and growth to 2031.

Approximate Grading Limits from raised roadway profile across 918 and 922 Veteran's Dr

Proposed roadway widening and associated works

918 Veteran's Dr

922 Veteran's Dr

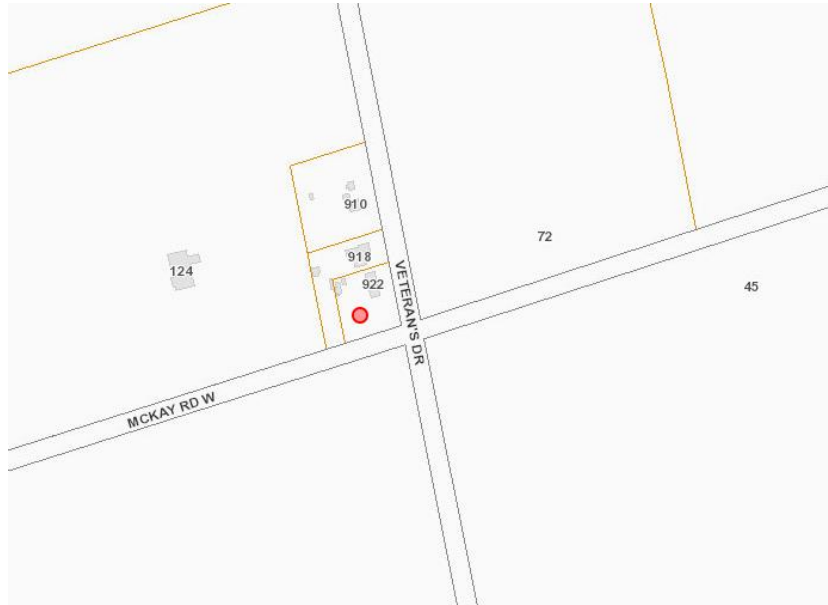
VETERAN'S DRIVE

MCKAY ROAD

APPENDIX "B"

Legal Description of Property Requirements

Legal Description: CON 10 S PT LOT 5
PIN 581000047
Roll Number 434209001814300



Legal Description: CON 10 S PT LOT 5
PIN 581000046
Roll Number: 434209001814400

