



SUBJECT: Update on proposed CN Milton Logistics Hub

TO: Committee of the Whole

FROM: City Manager's Office

Report Number: CM-2-18

Wards Affected: All

File Numbers: 775-01

Date to Committee: January 15, 2018

Date to Council: January 29, 2018

Recommendation:

Receive and file city manager's report CM-2-18 providing an update on the proposed CN Milton Logistics Hub; and

Direct the City Clerk to forward a copy of city manager's report CM-2-18 to the Region of Halton, the Town of Milton, the Town of Oakville and the Town of Halton Hills for their information.

Purpose:

A City that Moves

- Increased Transportation Flows and Connectivity
-

Background and Discussion:

The purpose of this report is to provide an update to Committee on the proposed CN Milton Logistics Hub (Project). As members of Committee are aware, the City of Burlington has been working cooperatively with the Region of Halton and the Towns of Milton, Oakville and Halton Hills to provide a coordinated municipal approach to assessing the Logistics Hub being proposed by CN in the Town of Milton. The Region of Halton along with the Town of Milton have taken the lead on this initiative, as their interests are potentially the most directly impacted by the proposed Project.

CN is proposing to construct an intermodal logistics hub on approximately 400 acres of a 1200 acre parcel it owns east of Tremaine Road and south of Britannia Road in the Town of Milton. The major components of the Project include:

- Realignment and extension of the existing mainline which will double the existing track line and add over 20 km of new rail yard track;
- An administrative building, maintenance garage and areas for short-term container storage;
- Areas for truck cargo loading and unloading; and
- A 1.7 kilometre truck entrance road.

CN estimates that upon completion, the Project will generate up to 1600 truck trips per day operating 24 hours/day.

In May 2015, the Canadian Environmental Assessment Agency (CEAA) determined that the Project is subject to federal assessment under the *Environmental Assessment Act, 2012* and the *Canada Transportation Act*. CN submitted its environmental impact statement to CEAA for the Project. A three member Review Panel was appointed in December 2016 and subsequently approved Guidelines for the completion of the required Environmental Impact Statement (EIS). The Review Panel will ultimately conduct a public hearing on the environmental impacts of the Project and make a report to the federal Minister of the Environment and Climate Change on whether those impacts have been adequately addressed.

Strategy/process

To date, the Halton municipalities have not taken a position on the merits of the Project largely because CN has provided insufficient information upon which to assess the potential impacts of the Project. A comprehensive brief was prepared and submitted by the Halton municipalities providing information on existing land use standards that are relevant to the Project and effects and provides direction on Halton and Ontario land use standards that must be applied to properly assess “significant adverse environmental effects under CEAA. The Halton municipalities are also engaged in providing public comment on the sufficiency of the EIS submitted by CN to the Review Panel.

At this point in the process, the Review Panel has submitted 6 rounds of information requests to CN in respect of the EIS, which CN is in the process of responding to. Public comments are sought on the additional information submitted to the Review Panel in response to their requests. The Halton municipalities have made submissions in response to the additional information provided and will continue to do so into 2018.

The Review Panel will conduct a public hearing once all of the information requests have been satisfied and will prepare a report to the federal Minister of the Environment and Climate Change. If that report concludes that the Project, after taking into consideration mitigation strategies, is likely to cause significant environmental impacts, the matter is referred to the federal cabinet to make a determination as to whether those impacts can be justified. If the Review Panel concludes that there are no significant adverse environmental effects, the Minister can approve the project

Halton Region has prepared a comprehensive report detailing the key issues for the Halton municipalities, that have not adequately been addressed through the EIS to date. A link to the Region's report is found below:

[LPS14-18 - Update on CEAA Panel for the CN Milton Logistics Hub](#)

The following is a summary of the key issues as identified in that report:

- The Project fails to conform with approved planning documents, including the Provincial Growth Plan, the Region of Halton's Official Plan, and the Town of Milton's Official Plan.
- The Project will result in a loss of future planned employment lands. Employment densities typically generated by a logistics' use are significantly lower than densities designated in the Regional OP and required by the Growth Plan.
- The proximity of the site is adjacent to existing and approved residential lands in the Town of Milton giving rise to compatibility concerns. The impact that the operation could have on residential land uses have not been sufficiently assessed particularly with respect to light, noise, vibration and air quality.
- Potential adverse impacts on human health and the environment (air emissions, noise, stormwater discharge, water takings and watercourse alterations) all of which are subject to provincial and municipal standards have not been sufficiently assessed.
- Impacts on regional and local roads (Britannia, Tremaine, Bronte) as the Project anticipates use of these roads to access the intermodal facility. A complete assessment of the impacts of the volume of truck traffic has not been assessed on the road network.
- A complete assessment of the impact of road and rail traffic on public safety has not been completed.
- There is concern that the increase in rail traffic on existing rail lines will frustrate the goals for increasing rail commuter traffic along the Milton corridor.

- The EIS fails to assess the environmental impacts of encroachment on the natural heritage system including an ecosystems approach to examine the interrelated and interdependent elements that comprise the local natural heritage systems.
- Risks to public safety and the environment have not been properly assessed as related to the increased carriage/handling of toxic substances should the project include the handling of such matter.
- Alternatives to the Project have not been sufficiently canvassed and the need or purpose for the Project have not been sufficiently justified by CN.

Burlington shares the environmental concerns raised by the Halton municipalities and the many of which are subject to provincial and/or municipal regulation. CN has consistently taken the position throughout the review process to date, that all aspects of the Project fall exclusively within federal jurisdiction, and that it is not subject to any provincial or municipal approvals. The impact of the CN approach leaves the Review Panel unable to direct strategies to mitigate environmental impacts that aren't subject to federal regulation, thereby creating a regulatory vacuum. There may be environmental impacts that are not mitigated. Burlington shares an interest in common with all of the other Halton municipalities to ensure that all environmental impacts are properly assessed and mitigation strategies are in place, if this Project is to proceed. We have a collective interest in ensuring that as much information as possible is gathered, evaluated and dealt with in this review process.

Options considered

The City of Burlington could disengage from participating with the other Halton municipalities in this process, however as discussed above, we do share an interest in common with them in ensuring that all environmental impacts have been assessed before the Project is allowed to proceed.

Financial Matters:

The Region of Halton has borne all costs associated with consultants and environmental experts required to properly inform the Halton municipalities to date, and will continue to do so.

Total Financial Impact

Not applicable.

Source of Funding

Not applicable.

Other Resource Impacts

Periodic staff attendance at meetings convened at the Region of Halton is required.

Connections:

The approach taken is a collective, cooperative approach by all of Halton municipalities.

Public Engagement Matters:

The process allows for significant opportunities for public engagement. The Review Panel hearing will be a public hearing. It is difficult at this point in the process to identify when that hearing will occur. The residents of the Town of Milton have established a “Milton says No” community based organization to oppose the Project. More information can be found at www.haltonregion.ca and www.milton.ca .

Conclusion:

Burlington will continue to participate with the other Halton municipalities in the CEAA process including the Review Panel hearing.

Respectfully submitted,

James Ridge

City Manager

Notifications:

Clerks of Region of Halton, Town of Milton, Town of Oakville, Town of Halton Hills

Report Approval:

All reports are reviewed and/or approved by Department Director, Director of Finance and Director of Legal. Final approval is by the City Manager.