

**CITY OF VAUGHAN**

**EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 7, 2016**

Item 6, Report No. 7, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on June 7, 2016.

**6 BLACK CREEK FINANCIAL STRATEGY AND DEVELOPMENT CHARGE BACKGROUND STUDY  
WARD 4**

**The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer and City Treasurer; the Deputy City Manager, Planning and Growth Management, the Director of Financial Planning and Development Finance / Deputy City Treasurer and the Director of Development Engineering and Infrastructure Planning, dated May 30, 2016:**

**Recommendation**

The Chief Financial Officer and City Treasurer; the Deputy City Manager, Planning and Growth Management, the Director of Financial Planning and Development Finance / Deputy City Treasurer and the Director of Development Engineering and Infrastructure Planning in consultation with the Director of Environmental Services, the City Solicitor, the Chief of Corporate Initiatives and Intergovernmental Relations, the Director of Parks Development, the Senior Manager of Real Estate and the Manager of Urban Design recommend:

1. That the Allocation of Funding Sources Report and Development Charge Background Study for the Black Creek Channel and Edgeley Pond Works (Attachment 1) be approved;
2. That Council enact the Edgeley Pond and Black Creek Channel Works Area Specific Development Charge By-law (Attachment 2);
3. That upon substantial completion of the Black Creek Environmental Assessment, staff report back to the Finance, Administration and Audit Committee on the need, if any, for the reopening of the Area Specific Development Charge By-law due to any significant variance in costs;
4. That the capital forecast to 2039 for the Black Creek and Edgeley Pond infrastructure, included in the Development Charge Background Study, dated May 4, 2016, and subject to maintenance of service levels, the availability of funding and Council policies, be adopted;
5. That Council commit to funding the future operating costs associated with capital forecast contained in the Development Charge Background Study, which are estimated to reach \$1.1 million annually by 2024;
6. That Council confirm that no further public meetings pursuant to the Development Charges Act, 1997 are required prior to the enactment of the new Area Specific Development Charge By-law; and
7. That Council direct staff to create and maintain a new area specific development charge reserve in accordance with the provisions set forth within the Development Charges Act, 1997

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**Contribution to Sustainability**

Green Directions Vaughan embraces a Sustainability First principle and states that sustainability means we make decisions and take actions that ensure a healthy environment, vibrant communities and economic vitality for current and future generations.

Objective 1.3: To support enhanced standards of stormwater management at the City and work with others to care for Vaughan’s watersheds

Objective 2.2: To develop Vaughan as a City with maximum greenspace and an urban form that supports our expected population growth

Objective 3.1: To develop and sustain a network of sidewalks, paths and trails that supports all modes of non-vehicular transportation

Objective 6.1: To fully support the implementation of Green Directions at all levels of City operations.

**Economic Impact**

The works related to the Black Creek storm water infrastructure in the Vaughan Metropolitan Centre (VMC) total approximately \$97M. The Allocation of Funding Sources Report and Development Charge Background Study (the “Strategy”) provides the cost allocation methodology used to split the costs across several funding sources. Below is a breakdown of the various cost components of the works:

<b>Cost Category</b>	<b>\$(M)</b>	<b>% of Total</b>
Channelization	46.4	48.0%
Edgeley Pond	16.0	16.6%
SE SWM Pond/Tank	15.7	16.3%
Land	15.1	15.6%
Other	3.4	3.5%
<b>Total</b>	<b>96.6</b>	<b>100%</b>

These costs have been shared across various funding categories which are outlined in the table below:

<b>Funding Source</b>	<b>\$(M)</b>	<b>% of Total</b>
CW DC – Engineering	33.0	34.2%
ASDC	18.6	19.3%
Non-Growth	17.2	17.8%
Site Specific Contributions	17.1	17.7%
CW DC – Parks	7.9	8.2%
Region/TRCA	1.9	2.0%
Property Tax	0.9	0.9%
<b>Total</b>	<b>96.6</b>	<b>100%</b>

A number of capital projects related to these infrastructure works have been previously approved by Council but are not fully funded. Upon implementation of the Strategy these projects will have identified sources of funding to facilitate their scheduling and completion.

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**Communications Plan**

***Legislative Communication Requirements***

The Development Charges Act, 1997 has mandatory communication requirements which mandate the advertising of at least one public meeting and the City Clerk is mandated to carry out such advertising at least twenty (20) days in advance of the meeting date. The Public Statutory Meeting was held on May 2, 2016 and was advertised using a number of channels to optimize public awareness. This included advertisements in the Vaughan Citizen and Vaughan Liberal on April 7, 2016. Both advertising of the meeting as well as pertinent information such as the draft Development Charge Background Study and related Area Specific Development (ASDC) By-law was also made available on the City's website and at the Clerks office beginning on April 4, 2016.

Three written and one in-person deputation were received by VMC landowners. None of the deputations requested any changes to the Background Study and By-law as currently drafted and most requested that they would like to be informed if any further changes are made to the financial strategy. No major changes to the funding strategy or allocation of cost is being recommended and staff is recommending the approval of the document with only minor housekeeping edits.

As a part of a comprehensive communication plan, City staff previously engaged with stakeholder groups including members of the Building Industry and Land Development Association (BILD) as well as other key landowners in the watershed area. Thus far, both BILD and the majority of the developable land ownership within the Black Creek Watershed have viewed the Strategy as favourable and have not placed any formal objections to the Strategy and By-law as proposed.

**Purpose**

The purpose of this report is to seek Council's approval of the Black Creek Financial Strategy and final staff recommendations related to the enactment of the ASDC by-law for the Edgeley Pond and Black Creek Channel Works.

**Background - Analysis and Options**

The Strategy was presented to the Finance, Administration and Audit Committee on April 4, 2016. A public Statutory Meeting was held on May 2, 2016 as indicated in the Communication section of this report. These previous reports provided the details of the Strategy and those details are also contained in Attachment 1 to this report. This report serves as the final step in the approval process and simply provides the Background Study and By-law for final approval. Both documents have undergone very little change since their first presentation and the changes were only housekeeping in nature. Staff undertook considerable consultation with both VMC landowners and the land development industry in advance and during the public process leading to approval. As a result, the Strategy in its current form has been viewed favourably by the majority of the VMC landownership and BILD.

It is critical that the City undertake these works due to the high level of investment that has already been made in the VMC towards public transit and the preliminary development of the mobility hub within the downtown. Without the mitigation of the flood risks associated with the current infrastructure, development in the area will be delayed and a significant risk of a future flood event remains which puts all of the investment that has been made in the area to date at risk.

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**Relationship to Term of Council Service Excellence Strategy Map (2014-2018)**

The Black Creek Financial Strategy and the Area-Specific Development Charge described within this report further the following term-of Council priorities: invest, renew and manage infrastructure and assets; and facilitate the development of the VMC. It also connects directly to the Service Excellence Strategic Initiative of Financial Sustainability.

**Regional Implications**

The Region of York continues to be involved through the Black Creek Renewal Class EA project and Financial Strategy. As mentioned previously in this report, the City will apply to the Region's Municipal Streetscape Partnership Program for Streetscaping works associated with this infrastructure (Urban Plaza at the NE corner of Jane Street and Highway 7). Regional lands required for the infrastructure are a large component of the overall cost of the project and as such City staff has initiated discussions with Regional staff regarding the acquisition of the required lands. In addition, the Black Creek Optimization study identified the need to replace the existing culvert under Highway 7. York Region is responsible for replacement of the existing culvert and opted to defer the works until the culvert approaches the end of its useful life.

**Conclusion**

Completion of the Black Creek works is a vital step towards flood relief and the development of the VMC as Vaughan's new downtown. The Strategy outlined in this report and detailed in Attachment 1 ensures equitable cost allocation; sound methodology and a financial plan are in place for the long term development of this storm water infrastructure.

**Attachments**

1. Allocation of Funding Sources Report and Development Charge Background Study Black Creek Financial Strategy
2. Draft Area Specific Development Charge By-law

**Report prepared by:**

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(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.)