

CORPORATE POLICY

POLICY TITLE: LOCAL SERVICE

POLICY NO.: 12.C.01

Section:	Finance & Budgets		
Effective Date:	May 23, 2018	Date of Last Review:	May 23, 2018
Approval Authority: Council	Policy Owner: Chief Financial Officer		

POLICY STATEMENT

This policy supports the City’s Fiscal Framework, which is a conceptual framework representing a principle-based approach to decision-making that strives to ensure the short- and long-term financial sustainability of the City. Three Guiding Principles pertaining to the different types of cost pressures the City faces have been established and act as the foundation for the framework:

1. Consideration Towards Existing Service Levels
2. Growth Pays for Growth
3. New Initiatives to Enhance the City

The Local Service Policy largely focuses on the principle of “Growth Pays for Growth” in the City’s approach to infrastructure.

PURPOSE

This policy sets out the City of Vaughan’s general guidelines on determining growth-related engineering infrastructure and parkland development that may be eligible for funding, in whole or in part by development charges (DCs) or area-specific development charges (ASDCs).

SCOPE

This policy applies to all staff of the Corporation of the City of Vaughan (“the City”) responsible for decisions associated with development application approval or capital planning relating to development charge funded infrastructure.

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LEGISLATIVE REQUIREMENTS

The Development Charges Act, 1997 (DCA) governs what constitutes eligible services for DC funding, and which services are considered ineligible. In the development of a new subdivision or site plan, certain elements that are considered DC eligible services may be cost-shared with the developer(s), or creditable or reimbursable if the developer is doing the work on behalf of the City. There are also elements of the developer works that are considered local services, which are the infrastructure or component thereof required to facilitate a development and are deemed to provide local rather than City-wide or Area-wide benefits. Section 59 of the DCA considers local services to be a direct developer responsibility, which means that the capital costs shall be borne entirely by the developer(s), with no credit or reimbursement from the City.

DEFINITIONS

See policy below.

POLICY

1. ROLES AND RESPONSIBILITIES

- 1.1. All City employees engaged in the development application approval process and associated spending and reimbursement decisions related to development charge funding will abide by the principles, rules, and guidelines set out in this policy and associated procedures;
- 1.2. For works carried out by the developer(s) through a development agreement, staff shall review and approve the proposed works as detailed by the developer(s) to determine what portions of the works are creditable or reimbursable through DC funding; and
- 1.3. Finance staff shall ensure that the DC funds are allocated in accordance with the guidelines detailed in this policy, and that all spending and reimbursement decisions are in accordance with the City's financial policies.

2. GENERAL PROVISIONS

- 2.1. For a project to be eligible for development charge funding, the following shall apply:
 - 2.1.1. The project is listed in the most current City of Vaughan DC Background Study. Notwithstanding that a project may not be listed in the City's current DC Background Study.

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- 2.1.2. The City may, in its sole discretion, deem a project not listed in the DC Background Study to be growth-related and thereby fundable in whole or in part from DCs provided that the City in its sole discretion is satisfied that such project should be considered DC eligible on the basis that said project will service needs arising beyond those considered local services.
 - 2.1.3. If a project is considered fully local in nature and not to be funded either in whole or in part from development charges, the City will require the benefiting land owners of any such works to fully fund the works directly.
 - 2.1.4. If a project is considered in the sole discretion of the City to be partially local in nature, the incremental costs above local sizing, as defined within this policy, will be funded from development charges with the remaining equivalent local sizing costs funded directly by the benefiting local land owners.
- 2.2. The following policy guidelines are general principles, which will be used to inform development applications in the City of Vaughan. However, each application will be considered on its own merits having regard to, among other factors:
- 2.2.1. The nature, type and location of the development within any existing plan and proposed development in its surrounding area;
 - 2.2.2. These policy guidelines;
 - 2.2.3. The location and type of services required and their relationship to the proposed development; and
 - 2.2.4. The existing and proposed development in the area, and subsection 59(2) of the DCA.
- 2.3. These local service policy guidelines are subject to review and amendment by the City either in conjunction with or independent of any amendments or updates to the City's DC by-laws.
- 2.4. The detailed requirements for all works and/or development are governed by the City of Vaughan Official Plan, or if not specified in the Official Plan, by the detailed engineering and parks development standards.

3. ROADS AND RELATED INFRASTRUCTURE

3.1. For the purpose of determining DC funding eligibility for roads and related infrastructure, consideration is given towards the road classification with regard to the functionality and benefitting users of said infrastructure. Generally, DC funding shall not apply to roads and/or components of roads that the City classifies as a local service defined as:

- 3.1.1 Intensification Areas (VMC) – 22m ROW
- 3.1.2 Industrial Areas – 23M ROW
- 3.1.3 New Community & Greenfield Areas – 24M ROW
- 3.1.4 The oversizing component of any road represents the incremental costs above and beyond what the City deems as the local component.

3.2 Roads

- 3.2.1 For proposed roadworks internal to a development area, DC funding shall be considered on for incremental costs above and beyond the local service. Only funding for incremental costs associated with land acquisition and oversizing of pavement structure and drainage-related/stormwater works shall be considered.
- 3.2.2 For proposed roadworks external to a development area, DC funding shall be considered for 100% of the capital and land costs.
- 3.2.3 Improvements to assumed collector roads, such as widenings, realignments, and urbanization, in accordance with the City's current Transportation Master Plan, are included in the DC calculation to the extent permitted under s.5(1) of the DCA.

3.3 Structures and Crossings

- 3.3.1 Eligible structures and crossings include but are not limited to the following:
 - 3.3.1.1 Grade-separated 400 series highway crossings;
 - 3.3.1.2 Ramp extensions;
 - 3.3.1.3 Valley crossings for minor collector roads (minimum); and
 - 3.3.1.4 At grade or grade-separated railway crossings.

3.4 Urban Design and Streetscapes

- 3.4.1 Streetscape and urban design related works are to be constructed at the levels of service as classified in the “City-Wide Streetscape Implementation Manual and Financial Strategy” and detailed in each specific secondary planning area streetscape plans.
- 3.4.2 DC funding eligibility for streetscape and urban design related works is largely based on the City’s roads classification system, as detailed in the City-Wide Streetscape Implementation Manual and Financial Strategy, having regard to the location of said works.
- 3.4.3 Developers are expected to contribute towards the construction of streetscape and urban design related works using the following formula:
 - 3.4.3.1 Local Roads: 100% Developer Contribution;
 - 3.4.3.2 Major Arterial (Regional) Roads: 25% Developer Contribution;
 - 3.4.3.3 Minor Arterial and Collector Roads: 50% Developer Contribution; and
 - 3.4.3.4 The remaining City cost will be included in the Development Charge Background Study.

3.5 Other Roadwork Related Infrastructure

- 3.5.1 Traffic and pedestrian signals and related appurtenances due to development and growth-related traffic increases, other than at locations considered a subdivision or site entrance, are to be included in the DC calculation to the extent permitted under s.5(1) of the DCA.
- 3.5.2 Streetlighting on arterial and collector roads external to a development area are to be included in the DC calculation to the extent permitted under s.5(1) of the DCA.
- 3.5.3 Pedestrian and bicycle related works external to a development area that form part of the City-wide network, in accordance with the City’s current Pedestrian and Bicycle Master Plan, including sidewalks and multi-use paths along Regional or arterial roads are to be included in the DC calculation to the extent permitted under s.5(1) of the DCA.

3.6 Land Acquisition for Roadworks

- 3.6.1 Land acquisition for planned road allowances within development lands is a dedication under the Planning Act provisions. Development

Charge funding shall be considered only for incremental costs above and beyond the minimum local standards.

3.6.2 Land acquisition for planned road allowances outside of development lands, and that is not a dedication under the Planning Act, is included in the DC calculation to the extent permitted under s.5(1) of the DCA.

3.6.3 Additional land acquisition for bridges or grade separations (beyond normal dedication requirements) is to the extent eligible as identified and included, if applicable, in the Development Charges Background Study.

4. WATER, WASTEWATER, AND STORMWATER INFRASTRUCTURE

4.1 Watermains

4.1.1 For watermains external to a development area, DC funding shall be considered if the watermain is required to service more than one development area and where the watermain:

- 4.1.1.1 Is generally 300mm in diameter or greater;
- 4.1.1.2 Has limited or no service connections; and
- 4.1.1.3 Functions as a trunk watermain.

4.1.2 Watermains internal to a development area are generally deemed to be a local service and therefore a direct funding responsibility of the developer.

4.1.3 Watermain projects required for intensification growth or strategic projects that benefit growth beyond the development area will be included in the DC calculation.

4.1.4 The City may, at its sole discretion, deem that a watermain that is internal to development provides an Area-wide benefit that may be funded in whole or in part through DCs.

4.2 Wastewater

4.2.1 For sanitary sewers, pumping stations, and related forcemains, ASDC funding shall be considered if the infrastructure is required to service more than one development area and where sub-trunk sewers service a broader area.

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- 4.2.2 Sewer projects required for intensification growth or strategic projects that benefit growth beyond the local development area will be included in the ASDC calculation.

4.3 Stormwater

- 4.3.1 Storm drainage and stormwater management related works where the infrastructure is required to service more than one development area may be funded through ASDC/DCs.
- 4.3.2 Stormwater management facilities that are internal or directly adjacent to a development area are generally deemed to be a local service and therefore a direct funding responsibility of the developer.
- 4.3.3 The cost of new or upgrades to existing stormwater management facilities external to development and deemed to be necessary to support development may be included in the ASDC/DC calculation.

5. GROWTH RELATED ENGINEERING STUDIES

- 5.1. DC Funding shall be considered for growth related Engineering Studies as required to support the City's Official Plan and other strategic growth-related initiatives.

6. PARKLAND AND PARK FACILITIES

- 6.1. Subject to the exclusions noted below, Park facilities and features may be eligible for reimbursement through Development Charges (DCs). Upgraded Park features that may be considered by the City shall be at the Developer's cost, subject to conditions in the Development Agreement.
- 6.2. Reimbursement of Park construction will be permitted according to the City's Developer Build Park Policy (or any successor thereto) and City approval of drawings, specifications, and cost estimates, up to the maximum amount allocated by the DC By-law. This amount is calculated by City staff based on standard unit costs for Park Development for the design and construction of the Park or City-Wide Trail. The amount allocated to the Park by the DC By-law includes all required consultant fees, including but not necessarily limited to: engineering, geotechnical, landscape architect, contract management, certifications, permitting, etc.
- 6.3. The following elements of Park Development are not eligible for DCs:
 - 6.3.1. Design - approved concept plans and conceptual grading and storm water servicing plans for the park design. These conceptual grading

and storm water servicing drawings must provide sufficient information and detail to be approved by the Consulting Engineer for that specific Servicing Agreement.

- 6.3.2. Tree Preservation and Protection Measures: remedial planting and removals as specified in any tree preservation report.
- 6.3.3. Clearing and Grubbing - removal of all agreed upon vegetative material from site. Any plant material to be saved is to be protected, in the approved manner, before clearing and grubbing commences.
- 6.3.4. Topsoil Stripping - stripping of all reusable topsoil from site. Contaminated organics or excess fill is to be removed from site. Cleaning, soil amendments (as required to achieve organic, Ph, etc.) and sifting out contaminates from the topsoil may be required above and beyond that requested through the environmental site assessment (ESA). Additional topsoil required to meet the required topsoil depth (minimum of 300mm) and/or specified topsoil quality is to be supplied at the developer/landowner's cost.
- 6.3.5. Municipal Service Connections - from the street right-of-way to the park property line to make connections into the park for water service, sanitary services and storm sewers, as required. Works shall also include all necessary storm drainage systems, including connections to municipal services as required to achieve the approved grading and storm water servicing plan for the site.
- 6.3.6. Rough Grade - the basic subgrade configuration of the approved grading plan for the site. Surface drainage (directed to catch basins) would be achieved at completion of the rough grade. If imported fill is required, it is the developer/landowner responsibility to provide at their own expense.
- 6.3.7. Electrical connections to the street line, including all hydro chambers as required.
- 6.3.8. Parkland dedicated to the City under the Planning Act provisions.
- 6.3.9. Parkland Fencing - to City specifications along property boundaries and street frontage.
- 6.3.10. Topsoil spreading - topsoil is spread to the required depth (minimum 300mm).

6.3.11. Fine grade - all facilities and landscaped areas, as well as, decorative landscape features such as berms, smoothing out changes in grade, etc. are prepared to receive sod or seed.

6.3.12. Sodding - supply and install sod, as per approved specifications (on occasion, seeding may replace the requirement for sodding by Parks Development).

6.3.13. Written confirmation by O.L.S. that rough and finished site grades meet the approved proposed grades.

6.3.14. Park Notification signs - to City specifications.

6.4. All Park development, facilities and features as required by the Parks Development Department to provide services in accordance with the Active Together Master Plan (or any successor thereto) shall be development charge project items.

6.5. Major community recreational multi use pathways including related structures, crossings and appurtenances that service the City's City-wide pedestrian and bicycling network in accordance with the current Pedestrian and Bicycle Master Plan (or any successor thereto) may be eligible for reimbursement through Development Charges.

6.6. Minor neighbourhood recreational multi use pathways including related structures, crossings and appurtenances within the development area or required connections to major multi use trail network or surrounding community facilities and parkland are the responsibility of the developer/Landowner.

6.7. Notwithstanding any other provision in these guidelines, all items, other than those items specifically identified as not being eligible for DCs, related to the development of the land including hard/soft landscaping and related Park facilities and features may be eligible for reimbursement through Development Charges.

7. GENERAL AND ADMINISTRATION

7.1 Policy Review

7.1.1. This policy is subject to review and amendment by the City, which may be independent of an amendment to the City's Development Charge By-laws;

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- 7.1.2. This policy should be reviewed at the earlier of an update to the Development Charge Background Study and 5 years; and
- 7.1.3. This provision is intended for review purposes only; the failure to conduct a review within the time period set out shall not have an effect on the validity of this policy.

7.2 Position Titles and Department Names

- 7.2.1 Staff titles and department names used throughout this policy may change from time to time. Such changes shall not have an effect on the validity of this policy.
- 7.2.2 The Deputy City Treasurer or his/her delegate is responsible for updating the staff titles and department names as required. Such amendments to this policy are administrative in nature and do not require approval of Council.

ADMINISTRATION

Administered by the Office of the City Clerk.

Review Schedule:	5 Years If other, specify here	Next Review Date:	May 23, 2023
Related Policy(ies):			
Related By-Law(s):			
Procedural Document:			

Revision History

Date:	Description:
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