

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 30, 2018

Item 3, Report No. 1, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on January 30, 2018.

3 STREAMLINE PROCESS FOR THE ASSUMPTION OF MUNICIPAL SERVICES CITY WIDE

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Planning and Growth Management, dated January 22, 2018:

Purpose

This report recommends adoption of a more efficient process related to the assumption of municipal services constructed through development and growth related infrastructure projects.

Recommendations

1. That Council endorse the administrative process improvement related to the assumption of municipal services constructed through private land development and growth related infrastructure projects as set out in this report; and
2. That the necessary by-law be enacted delegating authority to the City's Chief Financial Officer and City Treasurer or designate to release financial securities posted with the City related to the installation of municipal services, land and infrastructure development and site alteration following assumption of municipal services by the City and based on the recommendation of the Director of Development Engineering or its designate.

Report Highlights

- Proposed administrative change related to the assumption process of municipal services.
- The practice of submitting assumption reports to Committee of the Whole be replaced with a staff to Council Memorandum to notify Members of Council of upcoming assumptions.
- This proposed change will have positive economic benefits to the City, the development community as well as individual homeowners.

Background

For many years, the City of Vaughan has been one of the fastest growing municipalities

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in Canada. On average, approximately 34 kilometres of new roads and municipal services are constructed through development annually. Pursuant to the Municipal Act and the standard provisions of the city's development agreements, these municipal services must be assumed by the City once they are satisfactorily completed. Typically, the municipal services associated with approximately 25 developments are assumed by Vaughan Council annually. In addition, increasingly with public sector investments the municipality may be in a position of assuming infrastructure constructed by public agencies and their contractors.

Analysis and Options

Currently, staff report to Committee of the Whole on every assumption.

The current process involves staff reporting to Committee of the Whole on the details of each assumption. This practice was adopted many years ago to notify Members of Council of the assumption of municipal services. Historically, a very small percentage of assumption reports are called for discussion and amended at Committee of the Whole. For example, over the past 5 years Council has received 144 assumption reports, of which staff only recall three reports were called for discussion, and only one was amended prior to approval. The remaining 98% were approved without amendment. If Committee of the Whole recommends approval of staff's recommendations to assume the municipal services then the necessary by-law is added to the next Council meeting agenda.

Council has approved the infrastructure as part of the Block Plan, Secondary Plan and Subdivision approval process. At this point, the development is complete, residents are living within these communities and the infrastructure is being maintained and operated. All deficiencies have been rectified under warranty and clearances have been received by all relative city departments. The Subdivision Agreement now obligates the City of Vaughan to assume this municipal infrastructure.

Removing this assumption report submission process to the Committee of the Whole will improve business processes.

The development industry has for several years requested that the assumption process be accelerated. Typically, it takes approximately ten hours of staff time to prepare and process a report regarding the assumption of municipal services in a development project. The necessary lead time to include a staff report on a Committee of the Whole agenda is currently at least a 90-day process. Accordingly, the entire process can take

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as many as 120 days to process the formal assumption of the municipal services as shown on Attachment No.1. This process can be considerably shortened by removing the assumption report submission to the Committee of the Whole.

On average, approximately 25 development projects become eligible for assumption each year. This equates to approximately 250 hours of staff time that is dedicated to preparing assumption reports each year within the Development Engineering Department alone. Other departments also contribute staff time to the review and processing of assumption reports; including the City Clerk, Office of the DCM of Planning and Growth Management and others. Removing the need to report to the Committee of the Whole regarding the assumption of municipal services will significantly improve business processes and free up staff resources.

In some instances, upwards of 10 assumption reports, which are typically routine and transactional in nature, have been brought forward to a single Committee of the Whole meeting, encumbering the agenda unnecessarily.

Council will be informed of up-coming assumptions by way of memorandum

Staff recommend that the practice of reporting to the Committee of the Whole on the routine assumption of municipal services be eliminated in favour of informing Members of Council of a pending assumption via a staff to Council Memorandum. This process has been adopted as a best practice in other local municipalities. This Memorandum will be sent approximately 2 to 4 weeks before an implementing by-law is brought forward to Council. This will provide an opportunity for Members of Council to advise staff of any concerns well before the formal assumption is considered by Council. If no issues are raised, then staff will schedule the submission of the necessary assumption by-law to the next available Council meeting.

Streamlining of the process will expedite assumption of municipal services while keeping members of Council informed on the upcoming assumption.

This change, if approved, will be communicated to the development community at the next York Chapter of BILD meeting and other industry forums. Other infrastructure delivery agencies (e.g. Metrolinx, TTC, York Region) and relevant city departments will also be advised of the changes.

An annual assumption activity report will be brought forward to Council

An annual report will be brought forward to Council that will summarize all the subdivision and municipal infrastructure assumptions that occurred over the preceding year for information purposes.

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Staff are seeking delegated authority to release development securities after assumption.

To facilitate this new reporting process, staff are also seeking delegated authority from Council to release any posted development securities after the assumption by-law has been passed by Council. A recommendation to this effect is included as Recommendation 2 to this report.

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

This proposed delegation of the assumption process is consistent with the initiatives outlined in the Term of Council Service Excellence Strategy Map. The assumption of these municipal services will continue to:

- Invest, renew and manage infrastructure and assets;
- Attract investment and create jobs
- Continue to ensure the safety and well-being of citizens; and
- Continue to cultivate an environmentally sustainable city.

Financial Impact

There is a positive economic benefit to the City from the adoption of the proposed streamline assumption process:

- Process efficiencies and a reduced administrative demand on staff resources to produce assumption reports
- With faster assumptions, Municipal Service Inspectors will spend less time monitoring completed subdivisions and infrastructure projects. Their focus and time can then be redirected to new development that require more attention.

There are also broader economic benefits to the development industry as well as homeowners:

1. More timely release of development securities (i.e. Letters of Credits)
2. Reduced maintenance costs for the development industry
3. Once assets are assumed by the City, builders and/or developers can expedite refunds of lot grading deposits to homeowners.

Broader Regional Impacts/Considerations

York Region will continue to be contacted for municipal works that extend into regional road right-of-ways for acceptance.

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Conclusion

Staff recommend that the practice of reporting to Committee of the Whole on the assumption of municipal services be eliminated in favour of a new process. This new process will include informing Members of Council of a pending assumption via memorandum before an implementing by-law is brought forward to Council. To facilitate this new reporting process, it is recommended that staff be authorized to release any posted development securities after the assumption by-law is passed by Council. Removing the need to report to Committee of the Whole regarding the assumption of municipal services will significantly improve business processes, accelerate timeframes to address stakeholder concerns, and free up staff resources.

For more information, please contact: Andrew Pearce, Director of Development Engineering, ext. 8255

Attachments

1. Current and Proposed workflow process, October 20, 2017

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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.)