

VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE – APRIL 16, 2015**VAUGHAN METROPOLITAN CENTRE (VMC) DEVELOPMENT FACILITATOR UPDATE****Recommendation**

The Executive Director, in consultation with the Interim City Manager and VMC Project Management Team, recommends;

1. THAT the presentation be received.

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.

The Vaughan Metropolitan Centre (VMC) Implementation Plan demonstrates the City's commitment to achieving the goals and objectives outlined in Green Directions Vaughan, the City's Community Sustainability and Environmental Master Plan. Specifically, by monitoring and reporting on progress, the Implementation Plan demonstrates conformity with the guiding principles of leadership, transparency and accountability.

Economic Impact

The costs associated with the External VMC Development Facilitator have been previously approved in the 2014 budget through Capital Project RFP14-115.

Communications Plan

An electronic copy in a PDF format will be posted to the City's website.

Purpose

As identified in the original scope of work, the VMC Development Facilitator will oversee and report to Council regularly on VMC project management. This report and presentation are a summary of work to date.

Background - Analysis and Options

The City of Vaughan retained Live Work Learn Play (LWLP) as a Development Facilitator to take on an implementation and leadership role in the next development phase of the VMC, focused on growth, investment and placemaking. LWLP is an international real estate development and advisory firm with extensive experience in broad public outreach and consensus-building initiatives that facilitate large-scale development efforts. They were selected through a public RFP and interview process.

Vaughan's new downtown has seen great change over the past three years including construction on the VMC subway station, EXPO City and the KPMG office development. More than 20 City-initiated projects are currently underway, including the VMC Secondary Plan, Black Creek Renewal Project, Community Improvement Plan, VMC Urban Design Guidelines, VMC Cultural Framework and Public Art Plan and the VMC Streetscape and Open Space Plan.

LWLP has been tasked with developing an updated VMC Implementation Plan that will include extensive consultation with stakeholders. They will also work to advance options and financial implications for future planned City projects that may require public-private partnerships.

Working under the direction of the Executive Director, City Manager's Office, LWLP began work on October 1, 2014, with the 18-24 month mandate of:

- Helping to ensure that the City of Vaughan ("COV") and the VMC stakeholders define and achieve their short-term (0-10 year) development and place-making goals and objectives
- Creating an implementation framework to catalyze and guide the VMC's medium-term (10-20 year) and long term (20+ years) development and phasing, and associated economic and experiential success over time

Specifically, LWLP has focused the Development Facilitator (Strategic Real Estate Advisor) mandate into four specific categories of work, as articulated in their successful response to RFP 14-115:

- A. **Stakeholder Engagement:** Leading an effective stakeholder engagement process that facilitates constructive ongoing dialogue with COV representatives, other stakeholders as necessary, and VMC landowners to inform and foster consensus building around City and government decision-making.
- B. **Strategic Direction and Background Analysis:** Producing a high-level strategic assessment of the VMC today based on a review of baseline materials, an analysis of existing conditions, and outreach to both key internal City staff and leadership as well as the VMC landowner community.
- C. **Business Plan and Financial Modeling:** Evaluate and provide strategic direction on the market potential for retail, residential, and office development in the VMC, as well as potential parkland and civic acquisitions, development and operations of public spaces, and provide relevant financial model(s) to inform decision-making, and determination of priority projects.
- D. **Implementation Strategies:** Outline strategies related to municipal investment, VMC phasing, potential development deal structures, and economic development and business attraction, while shaping priority projects and setting a development framework and approach to ensure accountability and continuity.

Since October, 2014, LWLP has worked diligently in close collaboration with the City to advance this mandate along several parallel but interrelated work streams flowing from the foundation of the initial RFP response:

A. Stakeholder Engagement:

LWLP has worked with Staff and VMC Landowners to establish a streamlined communication and education process for advancing parallel consultant initiatives related to VMC implementation – entitled the "VMC Working Group". The first meeting of the VMC Working Group – which was lead by LWLP, introduced by Mayor Maurizio Bevilacqua, and attended by Staff, Councillor Sandra Yeung Racco, representatives from York Region, consultants, and numerous VMC Landowners – occurred on March 4, 2015. A core goal of the working group is to be able to engage with the VMC Stakeholders in single day meeting format across various topics. This is important to note in that traditional consultant engagement is done via one-on-one meetings. However, in the case of the VMC, with multiple projects happening simultaneously with multiple consultants LWLP and City Staff wanted to avoid engagement fatigue and streamline communication as much as possible. Therefore, the working group concept was used. It provided a streamlined platform for eliciting discussion and engaging landowner input on the following:

- LWLP's Reconnaissance and Strategic Assessment
- VMC Urban Design Guidelines (regionalArchitects)
- VMC Cultural Framework and Public Art Plan (The Planning Partnership)

- VMC Community Improvement Plan (Hemson Consulting)

The next session is scheduled for May 8, 2015.

Outside of this formal VMC Working Group process, LWLP has met with 55 internal and external stakeholders (City staff and leadership, VMC Landowners, third-party COV consultants, and representatives of York Region) as individuals and in groups to: receive their feedback, input and insight into the VMC process to date, to begin dialogue on their plans and goals for the new downtown moving forward, and to understand the sensitivities and challenges they face as they attempt to make this vision a reality, and to specifically inform and offer detailed feedback on LWLP's Reconnaissance and Strategic Assessment report (see "B." below).

B. Strategic Direction and Background Analysis:

LWLP's Reconnaissance and Strategic Assessment report, (near completion and to be delivered to the VMC Sub Committee in June 2015) represents a baseline of consensus and direction from which to move forward with the more detailed work and outreach that is to follow (and is already now underway) for the downtown initiative. LWLP identified early into its mandate that, while the VMC is slated to become Vaughan's "downtown" (per the work undertaken to date to develop the VMC Secondary Plan and the ongoing mediation process at the OMB to have it approved), divergent opinions exist in and amongst both the public and private spheres, about what exactly that high-level vision truly means and entails, as well as how it should be achieved. Amongst other goals, LWLP's Reconnaissance and Strategic Assessment Report aims to begin to resolve this divergence, crafting a refined vision, guiding principles and proposed district strategy for the VMC that all Stakeholders support to make the overall downtown idea more easily accessible and aid in its economic development and place creation. LWLP's engagement process with major VMC landowners is ensuring their input and consensus on the proposed vision and district strategy as relates to and impacts their land holdings.

C. Business Plan and Financial Modeling

While the more formal consolidated VMC market analysis and business planning will be delivered Autumn 2015, per the development facilitator critical path, LWLP has begun advancing those efforts and has worked with the COV staff to date on a variety of key VMC projects where their specialized real estate expertise and advice has been requested or deemed necessary. First, LWLP has worked with the COV Departments of Policy Planning and Urban Design, as well as the VMC Project Management Team specifically, to better understand the mechanics and metrics of downtown retail. This has included a detailed review of other Ontario municipalities' retail policy and physical design regimes, engaging GTA and 905-area brokers in conversation on the market realities facing Vaughan retailers, and case studies of successful downtown retail environments for best practices on place creation. Second, LWLP has continued to work with the COV towards realizing the VMC's office ambition, undertaking a detailed review of the Region of York's forthcoming Office Attraction Report and, in addition to discussions with the VMC landowner community, engaging various GTA and 905-area brokers in conversation on the present market conditions facing office development in a setting such as the VMC. This review and the information from these broker conversations have been adopted by and integrated into the COV's formal response to the Region of York. Finally, LWLP has provided the City with detailed research and related strategic direction on various parks ownership models and funding considerations as well as best practices on downtown parks and city-building initiatives.

Relationship to Vaughan Vision 2020/Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 20|20, the report will provide:

STRATEGIC GOALS:

Service Excellence – Providing service excellence to citizens.

3.4

Management Excellence

STRATEGIC OBJECTIVES:

Plan and Manage Growth & Economic Vitality.

Regional Implications

Not Applicable

Conclusion

The VMC has been well setup to date with the foundational planning of a new place, but requires a next level of detail to bring about the development that the City wants as it creates a unique downtown urban core. This requires a shift of focus toward the making of a place rather than a collection of buildings.

It is understood that the old economy was about making things, while the new economy is mostly about designing things; the old economy was product driven, while the new economy is knowledge driven; the old economy was cost sensitive, while the new economy is value sensitive; in the old economy markets mattered, in the new economy place matters most; and, one of the key drivers, but often forgotten, and most important elements of economic development and city building is community distinctiveness.

The work being undertaken by LWLP will assist Council and Staff to understand the value of their downtown programs and investments, build ongoing support and momentum for these programs, as well as demonstrate the health of the downtown and the role it is playing relative to the wider city.

Attachments

Not Applicable

Report prepared by:

Tim Simmonds, Executive Director, Office of the City Manager

Respectfully submitted,

A handwritten signature in black ink, appearing to be 'T. Simmonds', written over a horizontal line.

Tim Simmonds
Executive Director, Office of the City Manager