

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF MARCH 22, 2016

Item 5, Report No. 4, of the Finance, Administration and Audit Committee, which was adopted, as amended, by the Council of the City of Vaughan on March 22, 2016, as follows:

By receiving Communication C11, from the Deputy City Manager, Planning & Growth Management, the Chief Financial Officer & City Treasurer, and the City Solicitor, dated March 22, 2016.

5 COSTS ASSOCIATED WITH VAUGHAN OFFICIAL PLAN 2010

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Deputy City Manager, Planning & Growth Management, Chief Financial Officer/City Treasurer and City Solicitor, dated February 29, 2016, be approved;
- 2) That staff report back to the Council meeting of March 22, 2016 with a breakdown of costs related to Secondary Plans; and
- 3) That Communication C1 from Mr. Richard T. Lorello, dated February 24, 2016, be received.

Recommendation

The Deputy City Manager, Planning & Growth Management, Chief Financial Officer/City Treasurer and City Solicitor recommend:

1. That this report be received for information purposes.

Contribution to Sustainability

Not applicable

Economic Impact

This report summarizes approved costs incurred to date related to the Vaughan Official Plan 2010. There are no requirements for new funding associated with this report.

Communications Plan

Not Applicable

Purpose

The purpose of this report is to report on the total spent to date related to the Vaughan Official Plan 2010 ("VOP 2010"), including the Official Plan process itself which concluded with the Plan's adoption in September 2010, all legal costs to defend appeals to the VOP 2010, all costs to conduct Secondary Plans related to VOP 2010, legal costs to defend these and any other costs related to such, whether internal or externally spent.

Background - Analysis and Options

Legislative Basis for Preparing the Vaughan Official Plan 2010

The *Planning Act* and a series of supporting policies and plans, provide the basis for municipal planning in Ontario. Collectively, they identify matters of Provincial interest and direction, establish the roles and obligations of the participants, the processes for preparing the statutory instruments, like the Official Plan, and their content. The preparation of the Vaughan Official Plan

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2010 was based on the obligation to conduct a five-year review of the Official Plan and revise the plan to ensure it that it conforms to the pertinent Provincial Plans. In this instance conformity with the Provincial Growth Plan for the Greater Golden Horseshoe (Places to Grow) was required (Section 26 (1)). This process obligated the City to, among other things, amend its Plan to accommodate population and employment growth projections to 2031 along with other objectives, such as targeted amounts of intensification.

York Region was under the same obligation as the City to review and amend its plan to bring it into provincial plan conformity. York Region initiated its Official Plan review prior to the City and adopted its amended plan in December of 2009. It also assigned the 2031 population, employment and intensification projections to the City. The City initiated its process in 2007 resulting in the adoption of VOP 2010 in September 2010. The York Region Official Plan was approved by the Ministry of Municipal Affairs and Housing in September of 2010.

The *Places to Grow Act* requires that within three years of the Growth Plan coming into effect (2009) official plans must be in conformity with the Plan. Otherwise the Province may request a change to modify the official plan or amend the plan to resolve the non-conformity. In addition, Section 27 of the *Planning Act* requires that lower tier municipalities bring their plans into conformity with a Regional plan within one year of it coming into effect. Otherwise, the Regional Council has the authority to amend the lower tier plan to bring it into conformity.

The City of Vaughan fulfilled its obligation under the various provincial statutes by adopting the VOP 2010, in conformity with the Provincial Plans and the York Region Official Plan.

Council motion requesting report on full cost of VOP 2010

On November 17th, 2015 Council passed a motion directing:

That staff report back to Council by January 2016 [later amended to February 2016] on the total monies spent to date on the Vaughan Official Plan 2010, including the Official Plan process itself which concluded in September 2010, all legal costs for appeals to the Official Plan, all costs to conduct secondary plans that came out of the Official Plan 2010, legal and OMB costs to defend these and any other costs related to such, whether internal or externally spent; and

That these expenses be categorized with explanation.

In preparation for this report, staff reviewed expenditures incurred during the time period from 2007 to 2015 by the following departments: Policy Planning, Development Engineering and Infrastructure Planning (DEIPs), Parks Development, Development Planning and Legal Services. In addition to these departments, an estimate was made of the indirect contributions from other departments across the City including City Clerk's Office, Finance, Corporate Communications, and the City Manager's Office.

Departments were asked to provide data on costs that were directly attributable to the project and an estimate of internal labour time spent on VOP 2010 related tasks. Directly attributable costs included capital projects, external supplies and other resources. Internal labour costs were estimated because professional staff do not docket time to particular projects. Labour estimates are based on assumptions of the proportion of staff time that were attributable to the project.

Costs incurred to date related to Vaughan Official Plan 2010 are estimated to be \$18M

As of the end of December 2015, total costs incurred to date related to VOP 2010 and related studies and appeals are estimated to be \$18M. This spending has been categorized into three categories, each of which are described in more detail below: 1) Official Plan related Studies,

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Secondary Plans and other external costs, 2) Internal Labour Costs and 3) OMB, External Legal and Consultant Costs. It should be noted that not all appeals of VOP 2010 and related Secondary Plans have been resolved. Therefore it is likely that there will be additional staff time and external legal fees, that will increase this amount in the coming year(s).

Official Plan, Related Studies, Secondary Plans and other external costs of \$7M

An approximate total of \$7M has been spent to date on various Studies, Secondary Plans and miscellaneous other external costs. Over 49% of this total (\$3.4M) was for the lead planning consulting contract for the preparation of the Official Plan itself, which ultimately became Volumes 1 and 2 of VOP 2010. This contract included a number of supporting substudies and the preparation of five Secondary Plans that were adopted concurrently with VOP 2010. VOP 2010 was the first comprehensive Official Plan prepared by the City since 1961 and resulted in a completely new policy regime. Further work resulting from the adoption of the VOP 2010 includes a number of Secondary Plan studies (e.g. Vaughan Metropolitan Centre, Centre Street, Block 27, Block 41, Vaughan Mills), Urban Design Guideline studies (e.g. VMC, Black Creek), and numerous other studies (e.g. Master Plans for Transportation, Water/Wastewater and Parks).

Official Plan, Studies, Secondary Plans and other external costs	VOP 2010 Spend to Date (\$M)
VOP 2010	3.3
Master Plans	1.0
Related Studies	1.2
Secondary Plans	1.0
Design Guidelines	0.3
Other	0.2
Total	6.9

Comprehensive Zoning By-law review – Future Costs

Costs related to the Comprehensive Zoning By-law review are not included in this report as they have not yet been incurred. However these costs are expected to be approximately \$3.3M over the next four years, not including costs related to potential OMB appeals of the Zoning By-law. The current Zoning By-law is over 25 years old and due for a comprehensive review regardless of the completion of VOP 2010.

Internal Labour Costs of \$10M

Internal labour costs connected to VOP 2010 have been estimated at \$10M for the period covering 2007 to 2015. Since staff do not routinely categorize their time on a project by project basis this section was based on estimates provided by staff and management of the departments involved. The largest contributors to these costs were Policy Planning, Legal Services and Development Engineering & Infrastructure Delivery departments; followed by Parks Development and Development Planning. The following table shows the breakdown of internal labour costs by department.

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Internal Labour Costs	VOP 2010 Spend To Date(\$M)
Policy Planning	3.5
Legal	2.6
DEIPs	1.9
Parks Development	0.6
Development Planning	0.3
Other	1.3
Total	10.1

This total includes over 30 people across the City at various levels of involvement over the last nine years. The total amount could also be interpreted as representing 9 people working solely on this project for the last nine years.

OMB External Legal and Consultant Costs of \$1M

A total of \$1M has been spent to date on OMB external legal and consultant support (including planning, transportation and real estate (section 37 strata)). These costs are as a result of defending OMB appeals of VOP 2010, and appeals of Secondary Plans for the VMC and Vaughan Mills. It is expected that there will be additional expenditures in this category going forward until the appeals are resolved. The following table shows the breakdown of the OMB External Legal and Consultant Costs by the topic to which they relate.

External Legal and OMB Costs	VOP 2010 Spend to Date (\$M)
VOP 2010	0.4
VMC Secondary Plan	0.5
Vaughan Mills Centre Secondary Plan	0.4
Total	1.2

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

This report supports the Term of Council Priority of Updating the Official Plan and supporting studies.

Regional Implications

The Region has been a partner in the development of the Vaughan Official Plan and as the approval authority has been heavily involved in its subsequent implementation.

Conclusion

As of the end of 2015, an approximate total of \$18M has been spent on the Vaughan Official Plan 2010 and its implementation measures. This includes the Vaughan Official Plan, related Studies, and Secondary Plans (\$7M), internal Labour Costs (\$10M) and OMB external legal and consultant costs (\$1M).

Attachments

N/A

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