CITY OF VAUGHAN

REPORT NO. 2 OF THE

VAUGHAN METROPOLITAN CENTRE SUB-COMMITTEE

For consideration by the Committee of the Whole of the City of Vaughan on May 31, 2016

The Vaughan Metropolitan Centre Sub-Committee met at 9:37 a.m. on May 18, 2016.

Members Present: Mayor Maurizio Bevilacqua, Chair

Councillor Rosanna DeFrancesca Councillor Sandra Yeung Racco

The following items were dealt with:

1 VAUGHAN METROPOLITAN CENTRE (VMC) DEVELOPMENT FACILITATOR, LIVE WORK LEARN PLAY, COMPLETION OF WORK ASSOICATED WITH MANDATE

The Vaughan Metropolitan Centre Sub-Committee advises Council:

- 1) That the recommendation contained in the following report of the Chief Corporate Initiatives and Intergovernmental Relations dated May 18, 2016, was approved; and
- 2) That the presentation by Mr. Richard Martz, Partner & Principal, LiveWorkLearnPlay, St. Paul West, Montreal, Quebec, and C1, presentation material titled: "Vaughan Metropolitan Centre Development Facilitator for Vaughan's New Downtown Recap of The VMC Facilitator's Mandate", dated May 18, 2016, was received.

Recommendation

The Chief Corporate Initiatives and Intergovernmental Relations, in consultation with the VMC Strategic Advisory Team and VMC Project Management Team, recommends:

- 1. THAT the presentation by LiveWorkLearnPlay, be received for information purposes; and
- 2. THAT the report entitled the VMC Implementation Plan submitted by LiveWorkLearnPlay, be approved.

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.

Economic Impact

There are no economic impacts associated with receiving this presentation and/or approving recommendation one (1) and two (2). The work associated with LWLP's 18-month mandate was completed on time and within the approved Council budget.

Communications Plan

In addition to this report, those looking for information about the VMC can find other City initiated studies, planning documents, links to demographic information and links to other external agencies that are related to work being undertaken in building Vaughan's new downtown on the City's website. The Project Management Team worked with Corporate Communications and ITM to create a consolidated VMC landing page on the City's website. The URL for the landing page is **www.vaughan.ca/vmc**.

Purpose

This presentation represents the final scope of work for LiveWorkLearnPlay's (LWLP) Implementation Plan for the VMC – a document that outlines the anticipated trajectory and timeline of development in the City of Vaughan's new downtown. LWLP has provided key recommendations regarding City priority-setting (with regard to key initiatives, resources, and funding) in order for the VMC to see continued success in realizing the City's vision for its new downtown.

This presentation overviews and consolidates LWLP's Market Assessment research, landowner plans and the goals each have for their land's development and outcomes of economic modeling undertaken by LWLP to draw conclusions and set expectations for the new downtown over the next 15 years, in 5-year increments (2016-2021, 2021-2026, and 2026-2031) to the best of LWLP's ability given what is known today. This presentation also highlights LWLP recommendations regarding key City priorities related to the VMC.

The Implementation Plan completes LWLP's work associated with their original scope of work.

Background - The VMC Implementation Plan

In 2013, the City realized it was at a turning point with the VMC, requiring a shift of focus towards the physical implementation of the new downtown by generating development and making the vision a reality. To this end, in 2014, the City hired Live Work Learn Play Inc. ("LWLP") as its "Development Facilitator" – a team to support Vaughan's city-building efforts in the VMC, acting as strategic real estate advisor, leading a robust engagement process with area landowners, and producing a business plan to guide the long-term implementation of the VMC.

The City of Vaughan retained LWLP as its Development Facilitator through a public RFP process to take on an implementation and leadership role in the next development phase of the VMC, focused on growth, investment and placemaking.

LWLP began work on October 1, 2014, with the 18-24 month mandate of:

- Helping to ensure that the City of Vaughan and the VMC stakeholders define and achieve their short-term (0-5 year) development and place-making goals and objectives
- Creating an implementation framework to catalyze and guide the VMC's medium-term (5-10 year) and long term (10+ years) development and phasing, and associated economic and experiential success over time

Specifically, LWLP has focused the Development Facilitator 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 the 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.

1. Strategic Direction and Background Analysis: Reconnaissance and Strategic Assessment Report

As the first part of its mandate, LWLP developed a Reconnaissance and Strategic Assessment (RSA) report in order to establish a baseline of consensus and direction from which to move forward.

A key action that has been extremely successful was the creation of the VMC Working Group. Chaired by Mayor Maurizio Bevilacqua, with support from LWLP, the Working Group became the vehicle for consistent engagement, and education on pertinent VMC issues with VMC landowners, and other key internal and external stakeholders. Further, this Working Group became the key coordinating body to facilitate the completion of the necessary City studies to finish setting up the VMC for its long-term implementation and success.

LWLP's initial reconnaissance revealed that while the VMC is slated to become Vaughan's "downtown", divergent opinions existed among 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. As such, there was limited consensus on what constituted successful outcomes from the implementation of the VMC Secondary Plan.

The RSA provided the necessary direction, including initial strategic advice on (and the associated rationale for) City of Vaughan corporate policy and funding priorities, citizen education and engagement efforts, and articulated a more detailed, accessible and consensus-based vision of the future VMC. The report noted that while the VMC Secondary Plan set out a macro vision for the VMC, it did not articulate sufficient detail to elicit broad-based consensus and understanding of the VMC's future. To that end, it built upon that foundation and offered a more detailed and accessible vision, guiding principles and district strategy for the VMC.

The vision for the VMC that was adopted by Staff and Stakeholders is:

The VMC will create a true downtown for Vaughan – an intense, dynamic community that will become the heart of the City – economically, culturally and physically – for all of the residents and historic communities that compose Vaughan today and the future generations of residents, employees and visitors. The VMC will be the human-scaled, urban, walkable, multi-modal, civic, cultural, institutional, educational, and entertainment hub of Vaughan, in every season and time of day, with all the grit and polish of a modern city centre.

Another important deliverable from the RSA was the District Strategy. Until this work was completed, the City simply viewed the Vaughan Metropolitan Centre as one large parcel of land. However, LWLP identified that the segmentation of the VMC into unique and identifiable districts, that will become the

new downtown's future neighbourhoods, is necessary for the successful realization of the City's goals for the downtown.

A district strategy will help differentiate distinct areas of the VMC from the larger narrative of the downtown, reinforcing and growing the unique competitive advantages for each, and allowing the development process to leverage the natural programming, marketing and physical connections of each unique neighbourhood as they emerge. The detailed strategies and potential programming for each of these districts are generally supported by the land use allowances and initial direction of the VMC Secondary Plan. (ATTACHMENT 1).

2. Business Plan and Financial Modeling: Market Assessment Report

The Market Assessment report builds off LWLP's earlier Reconnaissance and Strategic Assessment report. While outlining key strategies for managing and mitigating identified issues, it provides a detailed evaluation of the challenges and opportunities facing the VMC in residential, retail and office development as it becomes the City's downtown.

It is a guiding document providing the fundamental market research and analysis to illuminate the VMC development landscape and underpin the Implementation Plan.

In the development of the Market Assessment and establishing its conclusions, LWLP undertook the following considerable and rigorous market research in order to gain an in-depth understanding of the residential, retail and office marketplaces:

- A detailed market review of all existing residential data that could be collected from all
 publicly accessible sources including, but not limited to:
 - Toronto Real Estate Board ("TREB") data
 - o Multiple Listing Services ("MLS") data
 - Real Estate Reports from brokerage firms;
- Interviews with members of the local brokerage community for real-life perspectives on "what is" and "what may be" from people deeply involved in the marketplace;
- An extensive review and feedback process with various levels of stakeholders to test and refine conclusions and directions:
- Testing and validating what was found and heard by undertaking a further round of focused market research:
 - o Field work evaluating existing development projects region
 - Identification and comparison to real market examples elsewhere in the 905
 - Second-round discussions with the brokerage community.

2a) Residential Market Analysis From residential perspective the Market Assessment Report identified that it is important to deliver a cluster of phase-1 projects and creating a focused marketing plan.

In the early days of the downtown, leading-up to and following the Spadina subway extension's opening, place-making initiatives and development projects should be encouraged to develop as a tightly knit cluster around the VMC's emerging centre of gravity (the places where public and private investment are already being made). Doing so will prevent the special quality of the downtown experience from being diffused across several Precincts in a piecemeal fashion (as much of the VMC will not see significant development for years to come), or as their own completely separate entities. Further, fostering this destination cluster of complementary development projects around a core area will help drive increased value and development potential for adjacent lands and throughout the wider VMC, as it can become the VMC's economic engine to the 905 residential marketplace. Finally, focusing efforts to a core area will ensure that every dollar spent on infrastructure and special events by the COV will generate the largest return-reinforcing the special quality of place being developed, and driving increased demand by COV residents and area visitors to locate there.

VMC-Focused Marketing Plan

In order to augment the creation of place at the VMC and help unlock the VMC's residential development potential to the greatest extent possible, all successes need to be highlighted and supported by a strong multi-disciplinary marketing and communications program; one that ties the VMC's vision back to tangible development progress being made and concretely demonstrating that the VMC is moving forward, is "open for business," and is becoming relevant to people's lives.

2b) Retail Market Analysis: People want to live, work, play and stay in great places. Quality retail and commercial experiences are the cornerstone of creating great places as they create the environs of walkable urbanism that has substantially grown in demand in recent years in the GTA

The VMC's ultimate success as the City's new downtown for its entire citizen population will greatly depend on its ability to adequately provide a robust and vibrant urban retail experience. In order to understand the dynamics of the 905 retail marketplace, LWLP engaged members of the retail-commercial brokerage community for their insights and experiences in the 905, as well as their thoughts about the VMC's retail challenges and opportunities.

Filling the "Place" Gap in the COV

Walkable retail experiences are limited in Vaughan being found only in the small, limited and locally serving historic former village centres. As such, by focusing on developing a substantial, walkable, activated and animated mixed-use retail environment, the VMC has the opportunity to capture residents' pent-up demand for a true downtown experience.

Creating Long-Term Spin-Off Value & Demand

People want to live, work, play and stay in great places. Quality retail and commercial experiences are the cornerstone of creating great places as they create the environs of walkable urbanism that has substantially grown in demand in recent years in the GTA. For the landowner community, and the City, delivering exceptional retail will help drive greater demand and unlock value for development across the VMC.

Creating a Downtown Experience outside Downtown Toronto

Many residents of the 905 often choose to drive into Toronto, park, and either shop at a regional mall, or take the subway into the core to fulfill their desires for an urban experience. The VMC, given its accessibility as a central transit spine along this corridor, can potentially capture these commuters and provide a regional downtown centre for a significant portion of the 905 who would rather avoid the heavy north-south traffic in and out of Toronto.

2c) Office Market Analysis:

Office and employment-related development form a major component of the VMC's vision of the new downtown and economic centre for the City of Vaughan. LWLP's discussions with the Vaughan and 905 office brokerage community yielded the following insights regarding the VMC opportunity.

Suburban Office is Tough

Recently, companies have begun to value refurbished and adaptively reused industrial spaces rather then confining themselves to existing, formal office space for lease; or to contract-out for the construction of a new, purpose-build space. As a result, this relatively minor shift in preferences has opened up a substantial volume of new product across the GTA which, on the whole, is very inexpensive and relatively easy to convert.

Oversupply of GTA Office Space Relative to General Demand

There are few substantial office tenants searching for space in the 905 in any single year (i.e. sizable tenants who could catalyze the new development of a major office building). This reality

was reinforced by brokers as well as members of the VMC landowner community who were interviewed by LWLP's Reconnaissance and Strategic Assessment team.

High Costs to Build Office Space in the 905

There is a relatively high cost to build office relative to other typologies of development, making the growth of office space and the creation of major centres of office employment in the 905 a complicated undertaking for developers and cities because of the following three reasons:

- Construction costs in the 905 are almost identical to those of downtown Toronto due to the proximity of the two marketplaces and the equal costs of labour and materials transport;
- Purpose-built office spaces is a more costly typology due to more rigorous requirements for building fit-out and the increasing market expectation that buildings will be delivered to high environmental sustainability standards;
- Achievable rents in the 905 are typically lower than they are in Downtown and Midtown Toronto.

Renewed Appeal of Downtown Toronto & Quality of Live-Work Environments

Coinciding with the changing desire for adaptively reused space, has been the shift in office locating decisions by employers to be in, close to, or can easily commute to places that their employees wish to live (areas prime with a multitude of services and amenities). This is resulting in ever greater demand for space in the Downtown Toronto core.

The Pull of Established Office Clusters with Clear Sector Identities

While some other 905 municipalities formed sector clusters of specific types of interrelated office and employment uses during the historic suburbanization period (tied in lockstep to the previously identified residential expansion), the COV did not. As a result, the COV, and VMC by extension, to not have a clear identity about what types of employment uses and interrelated industries they are trying to attract.

This has yielded two implications for the VMC:

- While other centres have their own attractive force for specific uses (due to industries
 often relocating based on proximity to existing clusters of similar users or other users
 involved in their supply chain), the VMC does not. This makes it difficult to land larger
 office tenant deals as often times those users already are locating to an existing cluster.
- Not having a clear identity creates challenges for the brokerage community responsible for finding space for office users, as they either do not recognize the VMC as an appropriate opportunity for their specific user or have not identified that the VMC is a viable office market, due to a lack of awareness.

Becoming the Most Attractive Location in the 905 for Major Office Deals

The VMC has a very real opportunity to create a Vaughan-specific office cluster by leveraging two key factors that can uniquely differentiate the VMC from all other areas in the identified competitive set.

- Higher Order Transit & Accessibility: Sitting at the nexus of subway, regional bus and BRT services that collectively provide direct access to Downtown Toronto and the broader 905
- Integrated Urban Downtown Experience: The VMC vision of an integrated, fine-grain, walkable, mixed-use urban environment, which no other 905 office node currently delivers.

Given the above competitive advantages, the VMC has the opportunity to become, and should venture to position itself as, the most compelling location for major office users to locate outside of Downtown Toronto. This will enable it to:

- Capture Existing Demand in the market and allow the VMC to become the go-to location for major user deals that have not yet landed on where to locate new-built office space.
- Unlock Latent Demand that is not yet being tracked in the market data. Downtown Toronto
 employers are beginning to explore the opportunities for satellite locations in the 905, but

many have not yet made the leap due to the lack of a compelling location that accords with current new economy market demands to be in quality mixed-use environments. The VMC will have the opportunity to unlock and capture this demand and interest.

3. Implementation Strategies: VMC Implementation Plan

In order to properly set up the new downtown for success and see to the early-term creation of place, LWLP worked with VMC stakeholders to finalize the VMC Implementation Plan and ensure that it will become a living document with staff and landowners for the new downtown.

This work will assist the City in making a Place - an intense, dynamic downtown that will become the heart of the city, economically, culturally and physically for all of the residents and historic communities that compose Vaughan today and the future generations of residents, employees and visitors.

The Implementation Plan for the VMC represents the final scope of work in LWLP's mandate; it builds on LWLP's earlier Reconnaissance and Strategic Assessment (RSA) and Market Assessment (MA) reports, as well as the information received during the ongoing VMC Working Group meetings and ongoing stakeholder engagement with VMC Landowners and City staff, to help establish a development trajectory of the VMC's build-out based on landowner plans, market conditions and anticipated development trends. It also outlines critical items that the City must consider and focus on in order to mitigate identified risks and help the VMC achieve its goals and potential.

The Implementation Plan has four major areas each built on City and landowner feedback:

- Development Phasing: Providing estimates of development phasing in the new downtown based on market conditions, landowner plans and current development activity
- Benchmarking: Providing realistic expectations for the VMC's build-out compared to its stated development targets (by a planning horizon of 2031) based on the underlying research of LWLP's Market Assessment report and additional related supporting research
- VMC Priority Setting: Outlining recommended Vaughan priorities (deals, initiatives and projects) for the VMC's implementation in the immediate term and strategies to see them accomplished that respect staff resources and availability
- Exit Strategy: Establishing a strategy tor the VMC landowner community and Vaughan staff to carry forward without the VMC Development Facilitator

Through a series of detailed interviews, LWLP has compiled a potential Phasing Plan for the VMC that reflects the anticipated timelines, expected development typologies and yields of the major landowners that comprise the new downtown. As a result, this Phasing Plan of the VMC's implementation effort – which has been laid-out in three estimated five-year increments until 2031, provides a reasonable estimate of where and how much development activity landowners are anticipating over discrete time periods; helping staff to resource time and focus to certain areas of the new downtown and better plan for forthcoming development requirements or internal projects. This Phasing Plan exercise will also help the City understand risk factors and opportunities linked to specific areas of VMC development.

The Development Facilitator has compiled a future-oriented economic model of the VMC that assesses the likelihood of Vaughan hitting its development targets for the new downtown

Building off the extensive research conducted during LWLP's Market Assessment and informed by the Province of Ontario's Growth Plan as well as other previous consultant studies performed for the City, the Development Facilitator has compiled a future-oriented economic model of the VMC that assesses the likelihood of Vaughan hitting its development targets for the new downtown for residential, retail and office uses. In order to best provide benchmarks for the City to assess its implementation performance over this 15-year timeline, LWLP has built several considerations and development scenarios into this economic model to account for evolving market trends and the

potential impacts of VMC distinguishers like the planned opening of the Spadina Subway extension in December, 2017.

LWLP has identified essential priorities, but also proposed strategies for how staff can properly resource them and bring-in appropriate third-party resources to supplement Vaughan staff

On an ongoing basis over the course of its VMC Development Facilitator mandate, LWLP has provided the VMC Project Management Team with feedback on its project planning and implementation priorities relative to the new downtown – highlighting those critical projects and initiatives that the City in LWLP's assessment, needs to focus on in order to ensure the VMC is properly set-up for delivery and has the best chance to succeed as envisioned. These major recommendations are formalized here along with their associated rationale. As a part of this, LWLP has not only identified essential priorities, but also proposed strategies for how staff can properly resource them and bring-in appropriate third-party resources to supplement Vaughan staff, given that some of these initiatives are essential to creating a 21st century downtown, they will require specialized expertise that can augment Vaughan's existing staff.

Creating a forward looking strategic approach for Staff as the Development Facilitator completes its 18 month mandate

A core component of LWLP's mandate has been to establish and lead a process for regular engagement with VMC landowners to ensure the free-flow of communication and that decisions are informed by real time input from those private sector stakeholders essential to developing the VMC. The City must continue this process in carrying forward with the new downtown once the VMC Development Facilitator finishes its scope of work. To this end, the "Exit Strategy" includes considerations for how to structure and run ongoing engagement with landowners through maintaining the VMC Working Group, suggestions for properly circulating information for comments and feedback from stakeholders and outlining resources for building capacity with staff.

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

The matters referred to in this report support Term of Council's priority of facilitating the development of the VMC.

Regional Implications

Not Applicable

Conclusion

Research across North America suggests that a thriving downtown, or urban core, is a critical contributor to a variety of desirable social and economic outcomes for any city. Typically, a downtown is a city's most valuable land, most economically productive area, and its most important social and cultural environment.

Continuing to build upon existing momentum, leveraging upcoming development and the soon-to-be completed Mobility Hub will create a downtown for Vaughan that will:

- 1. Foster a stronger sense of community and pride in Vaughan by creating a central place of gathering and unified civic identity that enables social cohesion
- 2. Produce the greatest return on municipal investment by growing the City's tax base on its highest valued land, generating long-term revenues to invest in the broader Vaughan community
- 3. Contribute to the diversification of the local Vaughan economy and job creation by:
 - Attracting office employment uses, including large institutions and corporations
 - Promoting local entrepreneurship and small business development

- 4. Provide an improved quality of life for area residents and employees and offer Vaughan's first true live work urban environment
- 5. Decrease 'leakage' of economic activity (in the form of skilled workers and commercial spending) to neighbouring GTA communities and downtown Toronto by making Vaughan a more competitive place
- 6. Increase tourism frequency, duration, and economic impact by creating a place around the major transit infrastructure already in existence or under development
- 7. Unique to Vaughan, given its roots as an amalgamated city, a true downtown is primed to serve an important civic function by creating, for the first time, a single environment in the City that bears no allegiance to one of its five historic towns and truly belongs to all citizens of Vaughan, creating a new world-class centre of gravity for the City and region.

The work of LWLP through its original mandate has provided a comprehensive set of documents that will form the foundation for Staff's continued work to bring the vision of the Vaughan Metropolitan Centre to reality by 2031 and beyond.

However, it is important that this work carry forward into the continued implementation of the downtown as it is at a critical juncture; the Spadina Subway Extension is planned to open in 2017 (approximately 16-months away,) negotiations surrounding the VMC YMCA & Library project are still in progress, several major other developments are coming online shortly, and a number of other important city-building initiatives must be advanced in short order. As LWLP has already established relationships with staff and the VMC landowner community as well as history and experience with many of these projects and initiatives, it would be highly beneficial for LWLP to stay involved to continue to guide and advise the City to ensure the success of these efforts, and the continued capacity-building of Staff. LWLP has indicated that they can remain on in their real estate advisory capacity, on a continuing services arrangement until end of 2016 at a minimum, and beyond if so desired or needed.

Attachment

LWLP FINAL VMC Implementation Report (presented as DRAFT April 2016)
 (Final bound copy to be distributed at the meeting)

Report prepared by:

Tim Simmonds, Chief Corporate Initiatives and Intergovernmental Relations, Office of the City Manager Ext. 8427

(A copy of the attachment referred to in the foregoing has been forwarded to each Member of Council and a copy thereof is also on file in the Office of the City Clerk.)

2 UPDATE ON COMMUNITY ENGAGEMENT AND MARKETING CAMPAIGN FOR THE <u>VAUGHAN METROPOLITAN CENTRE</u>

The Vaughan Metropolitan Centre Sub-Committee advises Council:

- 1) That the recommendation contained in the following report of the Deputy City Manager, Planning and Growth Management, the Chief Corporate Initiatives and Intergovernmental Relations and the Director of Economic Development and Culture Services, dated May 18, 2016, was approved; and
- 2) That the presentation by the Director of Economic Development and Culture Services, and C2, presentation material titled "Community Engagement and Marketing Plan Update" dated May 18, 2016, was received.

Recommendation

The Deputy City Manager, Planning and Growth Management, the Chief Corporate Initiatives and Intergovernmental Relations and the Director of Economic Development and Culture Services recommend:

1. That this report and presentation (Attachment 1) be received for information.

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. Under this definition, activities related to economic development and business attraction for the Vaughan Metropolitan Centre (VMC) contribute to the sustainability of the City.

Economic Impact

There are no economic impacts associated with the receipt of this report. The costs for the proposed 2016-2017 VMC Marketing Campaign and Community Engagement Plan (Attachment 2) are covered by the Department's existing operating budget. However, the 2017 program which includes site activations will require joint marketing efforts and partnerships with the landowners, the Region, the development and real estate industries.

Communications Plan

Copies of this presentation will be available on the City's website. Staff will also undertake to provide information on the public engagement events for inclusion in Council newsletters, City e-newsletters and other communication vehicles.

Purpose

The purpose of this report is to provide the VMC Sub-Committee with an update on the Community Engagement and Marketing for the VMC.

Background - Analysis and Options

The VMC Development Facilitator, Live Work Learn Play (LWLP), and staff have identified that placemaking activities, including a strong community engagement plan, are necessary to build credibility, understanding and buy-in for the VMC. Staff presented a Community Engagement Plan at the VMC Sub-Committee meeting on November 20, 2015 (Item 5, Report No. 4). This report builds on the earlier report to the VMC Sub-Committee and provides an update on public outreach activities, marketing tactics, and media channels that will be deployed in 2016 to implement the plan.

In order to increase public awareness and understanding of the VMC, the Economic Development and Culture Services Department is collaborating with other departments of the City, its stakeholders, partners, community organizations, and external consultants to implement its two-year VMC Community Engagement Plan. The VMC Project Management Team, comprised of members from the Development Engineering, Urban Design and Development Planning, Parks Development, Legal Services, Economic Development and Culture Services, and Development Finance Departments is an integral part of the community outreach, providing guidance to ensure that a common vision for the VMC is communicated.

The City needs to excite Vaughan residents and spark the interest of the business community to attract investment. The primary focus of the Plan will be to communicate and explain the VMC vision in ways that resonate with target audiences. The engagement strategy builds community capacity, leveraging partnerships and recruiting community champions to deliver the brand messaging in order

to drive investment and raise the profile of the VMC.

Reaching targeted population groups

In order to be inclusive, the community engagement strategies will include a variety of outreach methods to reach a wider audience, targeting different demographic groups. The suite of outreach tactics are designed to accommodate and appeal to the specific group being engaged. The outreach toolkit incorporates a range of marketing tools and engagement tactics including social media platforms, online channels, videos, photography, interactive kiosks, editorials, literature and marketing placements. For the outreach toolkit to be effective, the implementation approach is focused on going to the places where target groups gather for their daily activities. This effort will include partnering with business and community groups, schools and major institutions, and exhibiting at events, festivals and attractions to reach a wider audience.

Using social media to drive community engagement

Using Internet and social media platforms dedicated to VMC outreach activities has the potential to enlarge the stage from a local community to the global community.

The use of social media platforms and online tools will also incorporate engagement processes and opportunities for frequent feedback. Leveraging engagement technology will allow for information gathering and will provide staff with an important barometer of the success of VMC outreach initiatives. These platforms are much more cost-efficient than traditional media. They provide for immediate opportunities to observe conversations; and generate metrics allowing staff to be more agile on tactics and customizing outreach tools.

Key Messaging and Implementation

For the outreach dialogue to be meaningful and relevant to the community, the development of the positioning statement 'What's in it for me?' as part of the VMC conversation is important. Outlined below are the positioning statements relating to specific experiences and narratives that will resonate with intended target groups, recognizing that these positioning statements are not exclusive to these groups:

- Youth You deserve to have a downtown with exciting activities that are both cool, current and dynamic on a 24/7 basis.
- Young Adults It is an enviable place to live with unique venues, entertainment district, boutiques, dining and cafes, vibrant street scenes where friends will want to come to see you.
- Families It is a beautiful, walkable place for work, schools, and urban amenities saving you time and money to be with your loved ones.
- Adults Live in a safe place, close to your families and be within walking distance to services and recreational opportunities to enjoy leisure activities with friends.
- Employees Flexible, modern office spaces with transit at your doorstep, taking you seamlessly from home to your favourite places with stress-free travel, arriving fresh to enjoy your busy life.
- Businesses It is a thriving place for business with people funneling in from work, a growing local resident base attracting visitors across the region.

In 2016, Economic Development and Culture Services staff began implementing the marketing, community engagement and investment attraction campaign at business events and community celebrations such as the City's 25th Anniversary launch, Chinese New Year festival, Vaughan

Business Expo, Inspired Cities Art Exhibition, Vaughan WinterFest, Vaughan International Women's Day, Earth Hour, Mayor's Annual Luncheon hosted by Vaughan Chamber of Commerce, LandPro Conference, Vaughan Chamber of Commerce Business Achievement Awards, The Economic Club of Canada, and Vaughan Film Festival Launch Spring Launch at Vaughan Mills. Outreach activities involved the following marketing tactics: VMC-branded exhibit and media booth, video demo, branded promotional giveaways, and the distribution of VMC marketing collateral. Through these activities, staff is able to survey the participants support and knowledge of the City's downtown plans for the VMC. The activities also enabled the gathering of new subscribers for the City's business electronic newsletter for ongoing communications while generating excitement for business investments.

Feedback from public outreach participation indicated that more information about the City's downtown plans for the VMC was needed as there were varying levels of understanding and little or no consistent messaging when speaking about the VMC. Working with Corporate Communications, staff will be developing a series of frequently asked questions (FAQs) and reference materials as guidelines for staff and Council Members and as a resource for external requests.

Members of Council and City staff are the VMC's immediate brand ambassadors. By improving knowledge and messaging about the VMC, City representatives can become effective ambassadors and enthusiastic promoters at events, while responding to day-to-day enquiries – i.e. delivering service excellence. Staff will begin within the Planning and Growth Management Portfolio to gather input and feedback to build the FAQs, mapping and other materials, tapping existing staff expertise including consultants, as required.

At the community events, staff utilized a 'pinning activity' to start conversations with residents and visitors. The presence of an activity gave a good lead-in, helping the resident to contextualize their place of residence relative to the VMC. It opened discussions about transit improvements, condo and office developments, as well as future social and cultural opportunities around the Mobility Hub.

During the latter part of 2015, staff made two presentations to office brokers. At both presentations, the brokers had knowledge of the VMC, however, real estate and tenant sentiments were that the VMC had some ways to go to effectively compete with established office nodes. The conversations were much more targeted to providing information that the broker community could use in its efforts to present the VMC. Ongoing engagement with the broker community, especially those who work in the office market, will need to be initiated by staff, followed by completion of a robust marketing website.

Feedback from these events will continue to inform the City's engagement efforts. As of January 2016, City staff are actively engaged in the public outreach implementation plan. Key messaging for VMC public outreach activities is being deployed for community engagement activities, in addition to business editorials in national media and publishers. Examples of key messages are included in the presentation materials.

The use of VMC key messaging supports a more streamlined approach for a consistent dialogue with the public. It is important to deliver consistent messaging to generate the right brand story and to create a brand identity for the VMC. The materials, including displays, visuals, and promotional giveaways were developed to be engaging, age-appropriate, current, and colourful in execution with social media addresses having a prominent place reinforcing the City's tactic to drive traffic to the City's online portal.

In order to monitor the effectiveness of the outreach strategies, a phased approach will be implemented, expanding the outreach gradually. Reiteration and repetition of the brand story over time will build a recognizable downtown VMC message.

Marketing and Community Engagement Plan, 2016-2017

1. Public outreach implementation

January 2016 to November 2017

2. Leverage partnerships and Site Activation

April 2016 to December 2017

The scheduled public outreach initiatives for 2016 lists more than 40 activities. See Attachment 3, VMC Marketing and Community Engagement Schedule, 2016.

Additional opportunities to incorporate key messaging and implementation strategies into VMC infrastructure projects such as the Black Creek Renewal Environmental Assessment, Transit Square Project, the Edgeley Pond and Park and others will be explored as part of the Community Engagement and Marketing Campaign.

The site activation plan for 2017 will be presented at the September 2016 VMC Sub-Committee meeting. It is expected that additional resources will be required in 2017 to successfully activate the VMC. Therefore, developing partnerships and integrating marketing plans with community stakeholders and partners is a crucial component of the marketing and community engagement strategy.

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

This report is consistent with the priorities set on the Term of Council Service Excellence Strategy Map: facilitate the development of the VMC; and attract investment and create jobs.

Regional Implications

The City of Vaughan will continue to work in collaboration with the Region of York aligning with its York Centres and Corridors Campaign.

Conclusion

This report provides an update on staff efforts to move beyond consultation and traditional public information sessions to active outreach in the community. Public outreach allows authentic dialogue to take place between the government, consultants, and the public and community organizations, allowing them to work collaboratively to find a common vision. Engagement activities that are inclusive, also create a sense of civic pride within the community resulting in a strong city identity where it can encourage social, economic and cultural investments for the future sustainability of Vaughan.

Attachments

- 1. Community Engagement and Marketing Plan Update
- VMC Marketing Campaign and Community Engagement Plan, 2016-2017
- 3. VMC Marketing and Community Engagement Schedule, 2016

Report prepared by:

Sally Chau, Project/Marketing Coordinator, ext. 8367 Shirley Kam, Senior Manager of Economic Development, ext. 8874 Jennifer Ladouceur, Director of Economic Development and Culture Services, ext. 8093

(A copy of the attachment referred to in the foregoing has been forwarded to each Member of Council and a copy thereof is also on file in the Office of the City Clerk.)

3 SMART CITY ADVISORY TASK FORCE CREATING A SMART CITY OF EXCELLENCE

The Vaughan Metropolitan Centre Sub-Committee recommended that the following recommendation be forwarded to Council for approval:

- 1) That Council establish a Smart City Advisory Task Force reporting to the VMC Sub-Committee;
- 2) That the Clerk be requested to prepare Terms of Reference for the Task Force substantially as they appear within this report;
- 3) That recruitment for the Smart City Advisory Task Force be commenced pursuant to the Membership and Selection section of this report; and
- 4) That Staff be directed to report back on the Findings Report at the Conclusion of the Task Force and/or appropriate milestones as determined by the Chief Corporate Initiatives and Intergovernmental Relations.

Recommendation

The Chief Corporate Initiatives and Intergovernmental Relations, in consultation with the Chief Information Officer, and Director of Economic Development, recommends:

- That Council establish a Smart City Advisory Task Force reporting to the VMC Sub-Committee;
- 2. That the Clerk be requested to prepare Terms of Reference for the Task Force substantially as they appear within this report;
- 3. That recruitment for the Smart City Advisory Task Force be commenced pursuant to the Membership and Selection section of this report; and
- 4. That Staff be directed to report back on the Findings Report at the Conclusion of the Task Force and/or appropriate milestones as determined by the Chief Corporate Initiatives and Intergovernmental Relations.

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.

Economic Impact

There is no immediate economic impact associated with approving the recommendations in this report. Any additional funds required for the administrative needs of the Task Force will be allocated to the VMC annual marketing budget. Staff in various departments, including mainly the City Manager's Office, Economic Development and the Office of the Chief Information Officer will be required to assist with the Task Force at various Stages of its Term. It is anticipated that annual costs such as office supplies, meeting expenses, etc., associated with preparing a findings report(s) should not exceed \$5,000. Any new or additional costs associated with the Task Force's Findings Report(s) will be clearly identified in future reports to Committee and Council.

Communications Plan

The work of the Task Force will be communicated through bi-annual updates to the VMC Sub-Committee. As Task Force Findings Reports could have implications on both VMC and City-wide initiatives, these reports will be considered by the VMC Sub-Committee in the first instance and then to the appropriate Standing Committee of Council where City-wide implications are present. Information on the work of the Task Force will also be available through Staff's regular VMC enewsletters to stakeholders and citizens and through Corporate Communication's more broadly scoped E-News. Furthermore, those looking for information about the VMC can find other City initiated studies, planning documents, links to demographic information and links to other external agencies that are related to work being undertaken in building Vaughan's new downtown on the City's website. The Project Management Team worked with Corporate Communications and ITM to create a consolidated VMC landing page on the City's website. The URL for the landing page is www.vaughan.ca/vmc.

Purpose

At the April 6, 2016 meeting of the Vaughan Metropolitan Sub-Committee, Mayor Maurizio Bevilacqua, Chair of the VMC Sub-Committee, requested that the Chief Corporate Initiatives and Intergovernmental Relations report back to the May 18, 2016 VMC Sub-Committee with a report that lays out a Terms of Reference for the creation of a Task Force to further explore, study, recommend and advance actions necessary to further Vaughan's growth as a Smart City. This request was supported by the VMC Sub-Committee Members.

Background - The VMC Implementation Plan

William Hutchison, Chair, i-CANADA Alliance and Distinguished Research Fellow Munk School, University of Toronto summarized the need for Smart Cities as this, "Communities and nations who devise how to keep pace with this ever advancing frontier while managing the associated business, societal and technology risks, will enjoy the fruits of economic and competitive leadership. They will provide the societal prosperity for their citizens in terms of education, jobs, healthcare, entertainment and digital democracies; and prosperity that will help to finance their ever evolving creative institutions."

Staff submitted a report titled, *Enabling Smart Cities in the Digital Age* at the April 6, 2016 VMC Sub-Committee. The report was also accompanied by two presentations; York Region Staff presented an overview of the York Region Digital Broadband Strategy and Cisco Systems Inc., presented Smart + Connected Communities. [Report Number 1 of the Vaughan Metropolitan Centre Item 4].

As identified in the report, Staff made note that at this critical juncture of city-building, it is imperative that the City begin to take stock of its digital strategy, develop municipal policies for encouraging broadband accessibility and future-proof its assets to allow it to respond to future opportunities.

For Vaughan, the opportunity to address broadband accessibility issues is of particular importance in the VMC, employment areas and other intensification areas.

While the VMC is an important priority, a Smart City implementation strategy is required City wide. Similar to other City wide strategies such as the Vaughan City Wide Public Art program, Staff are suggesting that the Terms of Reference of a Task Force be focused on City wide measures with a priority focus on the VMC due to the accelerated development and considerable private and public infrastructure investment focused on the VMC. By enabling the building of digital infrastructure required to deliver not only high speed internet, but also smart city technologies, the VMC will be better able to compete in the knowledge economy by positioning the new downtown and the City as a community that offers leading edge technology capabilities to businesses and residents alike.

While the rationale for smart city initiatives within the VMC is present, there are other opportunities for other parts of the corporation to capitalize on smart city technologies. Examples: include traffic

management, transit enhancements, street lighting, parking revenues, e-health, public safety, education, tourism, community engagement and economic development.

Digital infrastructure has the capability to transform how services are delivered, investments are generated and quality of life is improved.

Smart City efforts can enable the achievement of many of Vaughan's current and future priorities. Input from residents, businesses, and from leading public and private sector organizations is important to the planning and implementation of new technologies in the City.

The world is evolving - society has become increasingly digital, mobile, connected, and urban. Now everything can be connected in a virtual 'internet of things', which will have dramatic impacts on the way people live, work and play.

Cities need to adapt to this complex context while also facing numerous economic, environmental, and social challenges. More than ever, cities need to ensure they manage critical infrastructure effectively, deliver services efficiently, collaborate freely, and analyze important data for the benefit of their communities.

"Smart Cities" are places that recognize the trends and the need to embrace innovative alternatives.

These are places that are working to achieve exciting lifestyle benefits for residents, robust economic opportunities, and more efficient governance within a safe and healthy environment. They often rely on networks of sensors, cameras, and wireless devices to do so - collecting real-time data, measuring and optimizing performance, sharing results, and reporting issues even before they happen.

A Smart City is characterized by numerous features, for example, a Smart City could:

- produce large amounts of important data that would inform local decisions and support entrepreneurs in creating new business opportunities;
- attract new business investment through high-speed internet networks, new data sets, specialized services, and efficient civic operations;
- increase the efficiency of infrastructure management, through automation and real-time tracking:
- promote the testing of new technologies, as a community 'living lab', that would benefit local residents and businesses;
- generate digital alerts to city officials when public garbage containers are full, ensuring that no time or resources are wasted collecting at the wrong time or in the wrong way;
- respond to, and even anticipate, traffic congestion to ensure people and goods move through a community efficiently;
- show drivers available parking spaces in real-time, before arriving at their destination;
- enable residents and businesses to check their water consumption at any time, and receive real-time alerts of potential leakages; and/or
- ensure street lights dim automatically when no pedestrians or vehicles are in proximity.

The potential for real-time applications, data commercialization, cost savings, local environmental benefits, and lifestyle enhancements support the sixteen Council priorities associated with the Service Excellence Strategy Map.

As this is a major undertaking for the City of Vaughan, it is recommended that a Smart City Task Force be created to provide valuable insight

Establishing a Smart City Task Force will better enable Staff to meet the challenges and opportunities of the growing digital / urban society, where leading municipalities are embracing "SMART City" principles and technologies. Communities that embrace technology and advanced data analytics as a means to achieve exciting lifestyle benefits for residents, robust economic opportunities, and more efficient governance within a safe and healthy environment are better positioned as future growth centres.

The Task Force's primary objective will be to provide advice to Council and the City Administration, including high-level political and community perspectives into the development of a Smart City initiative, and to endorse Smart City technologies for Council's ultimate consideration.

In addition to the bi-annual updates to the VMC Sub-Committee, City Staff including the Senior Management Team will discuss the *Findings Reports* and the advice of the Task Force City staff will prepare a coordinated report that discusses the implications and impacts of the Task Force Interim *Findings Report*. This staff report is proposed to be prepared for Committee and Council consideration in Q2 of 2017.

Smart City Advisory Task Force Terms of Reference

Objectives:

The Task Force will:

- 1. Serve as a forum for the discussion of SMART City concepts amongst residents, businesses, and other stakeholders;
- 2. Consider research, best practices, and findings related to SMART City implementations and data-driven innovation efforts across Canada and the world;
- 3. Develop a vision for what Smart Cities could mean for Vaughan;
- Review administrative recommendations regarding various aspects of the forthcoming City-Wide Digital Strategy, that is part of the Council endorsed 2015-2018 Service Excellence Strategy Map, and provide strategic guidance and other perspectives as required;
- 5. Share updates and presentations with advice and recommendations related to Smart Cities to the relevant City Committee(s) including the VMC Sub-Committee which culminate with a final report of Smart City Recommendations no later than March 2018;

Term

The term of this Task Force shall be from September 2016 until July 2018.

Membership and Selection

Members shall include members of Council, Citizens and Stakeholders.

Council

Two (2) members of Council selected by the Mayor will represent Council. The Mayor, as Chair of the VMC Sub-Committee, will serve as an ex officio member of the Task Force.

Chair and Vice Chair

The Task Force will have Co-Chairs and Co-Vice Chairs. One Member of Council will serve as a Co-Chair and be appointed by the Mayor. The second Co-Chair will be selected by the Task Force membership.

One Member of Council will serve as a Co-Vice Chair and will be appointed by the Mayor. The second Co-Vice Chair will be selected by the Task Force membership.

Citizens

Five (5) public members (Vaughan citizens) shall be selected based on a competitive application process administered by the Clerk's office.

Stakeholders

A member shall be a senior representative selected from each of the stakeholder communities:

- Education Community
- Media and Entertainment Community
- Arts & Culture Community

- Health Care and Medical Community
- Research Community
- Information, Communications and Technology Companies, (ICT)
- Non-Government Associations and Government Services
- Tourism
- International Business Promotion
- Financial Services Industries
- Construction Industry

Selection criteria should include:

- Ability to commit to the meeting schedule and requirements of the Task Force (mandatory);
- Experience and knowledge in SMART City applications, municipal innovation, public/private partnerships, business attraction, community master planning, and/or other related areas; and
- Academic and professional credentials; and
- Evidence of community leadership and experience working collaboratively and providing effective recommendations on a board or committee

Member Roles and Responsibilities

All members of the Committee are expected to:

- attend all scheduled meetings;
- participate in discussions and decisions, listen actively, share insights and experiences, communicate regularly throughout the process, and provide constructive input;
- complete preparatory work or reading prior to meetings, where necessary,
- maintain confidentialities and comply with the terms of the procedural by-law and any
 protection of privacy legislation that may be applicable to their activities, including the City of
 Vaughan's Personal Information and Collection, Use and Dissemination Policy; and,
- avoid conflict of interests and declare conflicts when they arise

The Co-Chair shall confirm meeting agendas in consultation with the Task Force facilitator, preside over meetings, and sign the findings report to Council on the Task Force behalf.

The Co-Chair shall be directly supported by the Task Force facilitator.

In the absence of either Co-Chair, a Co-Vice-Chair shall undertake the duties of the Chair.

Committee Resources

Member(s) of City Administration shall support the Task Force, including the Chief Corporate Initiatives and Intergovernmental Relations, Chief Information Officer and the Director of Economic Development.

The Chief Intergovernmental Relations shall also name a Task Force Facilitator, who will:

 support the Chair and provide the Task Force with information, research, and other services as required;

Agendas of meetings shall be filed and maintained in the Office of the City Clerk. After each meeting, the committee will submit to the VMC Sub-Committee a report which will be noted in the Sub-Committee's report to Council under the section titled "Other Items Considered by the Committee"

The Committee will be provided with additional administrative and technical support at the discretion of the Chief Corporate Initiatives and Intergovernmental Relations.

While there is no specific budget allocated to this Task Force, funding for incidental items such as report preparation, office supplies, and general meeting expenses will be drawn from the VMC Marketing Budget but will not exceed \$5,000 annually.

Meeting Format and Schedules

Task Force meetings are intended to be informal, and structured to encourage maximum flexibility and open, honest debate.

Quorum shall be calculated as a majority of the total number of persons appointed to the Task Force; ex-officio members will not be counted for the purpose of calculating the total number of persons appointed to the Task Force but will be counted as a member present when in attendance.

Task Force meetings will commence in September 2016. Specific meeting schedules are at the discretion of the Task Force; however, it is anticipated that:

 One meeting would be scheduled every two (2) months, with additional meetings at the Task Force's discretion;

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

The recommendations of a Smart City Advisory Task Force will inform and potentially impact the following Term of Council's priorities:

- Continue to develop transit, cycling and pedestrian options to get around the City
- Facilitate the development of the VMC
- Support the development of the hospital
- Invest, renew and manage infrastructure and assets
- Continue to ensure the safety and well-being of citizens
- Attract investment and create jobs
- Continue to cultivate an environmentally sustainable city
- Support and promote arts, culture, heritage and sports in the community
- Continue to advance a culture of excellence in governance
- Enhance civic pride through a consistent city-wide approach to citizen

The interim and final Findings Reports will address these potential impacts

Regional Implications

A Smart City gains its initial competitive advantage by implementing a more advanced broadband communications infrastructure than its neighbours. The infrastructure becomes the foundation upon which members of the community collaborate more effectively, and implement advanced applications in business, education, healthcare, science and research, culture and the arts, film, TV, entertainment and community services.

The creation of a Smart City Advisory Task and its future recommendations would ultimately support York Region's Broadband Strategy. The Region has made broadband connectivity a priority in its 2016 Federal and Provincial pre-budget submissions.

Conclusion

Establishing a Smart City Task Force will better enable Staff to meet the challenges and opportunities of the growing digital / urban society, where leading municipalities are embracing "SMART City" principles and technologies. Communities that embrace technology and advanced data analytics as a means to achieve exciting lifestyle benefits for residents, robust economic opportunities, and more efficient governance within a safe and healthy environment are better positioned as future growth centres.

The use of senior representatives from the outlined stakeholder's group will give the Task Force the ability to understand "Smart Cities" from a holistic perspective. A Smart City is one that uses technology to better the quality of life for its citizens and businesses and is a cornerstone of City building for the 21st Century. Vaughan is at a key stage in its history, with the building of its new downtown, the Vaughan Metropolitan Centre which provide the City with a unique opportunity to understand and potentially seize the opportunities identified by the Task Force.

It is important to note that the Task Force's Interim and Final *Findings Reports* in 2017 and 2018 is only the first step in Vaughan becoming a Smart City Centre of Excellence but is a necessary foundational piece of work so that Council and the City Administration can better understand the full nature of a Smart City for Vaughan.

Attachment

None

Report prepared by:

Tim Simmonds, Chief Corporate Initiatives and Intergovernmental Relations, Office of the City Manager Ext. 8427

The meeting adjourned at 11:19 a.m.

Respectfully submitted,

Hon. Maurizio Bevilacqua, Mayor, Chair