

CITY OF VAUGHAN
REPORT NO. 5 OF THE
FINANCE, ADMINISTRATION AND AUDIT COMMITTEE

*For consideration by the Council
of the City of Vaughan
on May 23, 2018*

The Finance, Administration and Audit Committee convened at 9:42 a.m. on Monday, May 7, 2018.

Present: Councillor Rosanna DeFrancesca, Chair
Hon. Maurizio Bevilacqua, Mayor
Regional Councillor Mario Ferri
Regional Councillor Gino Rosati
Regional Councillor Sunder Singh
Councillor Marilyn Iafrate
Councillor Tony Carella
Councillor Sandra Yeung Racco
Councillor Alan Shefman

The following items were dealt with:

4.1 INTERNAL AUDIT REPORT – 2017 ANNUAL REPORT

The Finance, Administration and Audit Committee recommends:

- 1) That the recommendation contained in the following report of the Director of Internal Audit, dated May 7, be approved; and**
- 2) That Communication C3, presentation material entitled, "*Internal Audit Annual Report*", dated May 7, 2018, be received.**

Recommendations

1. That the attached report, Internal Audit Department 2017 Annual Report be received.

4.2 2018 CITY-WIDE AND AREA SPECIFIC DEVELOPMENT CHARGE BACKGROUND STUDY AND BY-LAWS REVIEW HIGHLIGHT REPORT (Referred)

The Finance, Administration and Audit Committee recommends:

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- 1) That the following in accordance with Communication C2 from the Chief Financial Officer and City Treasurer, dated May 7, 2018, be approved:
 1. That the Draft 2018 Development Charges Background Study, be approved subject to the inclusion of the changes detailed in this communication;
 2. That the City-Wide Development Charge By-law and all Area Specific Development Charge By-laws incorporating the development charge rates, as set out in the attachments accompanying this memorandum, be approved, and that the by-laws come in to force on September 21, 2018;
 3. That the Draft Local Service Policy included with the March 9, 2018 release of the Development Charge Background Study, as amended to include the changes detailed in this communication, and other policy changes as outlined in the April 3, 2018 report to Finance, Administration and Audit Committee, titled "2018 City-Wide and Area Specific Development Charge Background Study and By-Laws Review Highlight Report", be approved;
 4. That the 10-year growth-related capital forecast for general services and the growth- related capital forecast to 2031 for engineered services, included in the Background Study, subject to maintenance of service levels, the availability of funding, and Council policies, be approved;
 5. That staff be authorized to close the Area Specific Development Charge reserves that have been deemed to be substantially completed, as outlined in this report, and that any remaining balances within the reserves that are not required for further developer reimbursement be transferred to the City-Wide Engineering Development Charge reserve;
 6. That staff be authorized to merge the City-Wide Park Development DC reserve and the City-Wide Recreation DC reserve to create a new reserve titled "City-Wide Community Services DC Reserve" to bring the reserves into alignment with the 2018 DC Background Study;
 7. That the proposed transition measures as outlined in April 3, 2018 report to Finance, Administration and Audit Committee, titled "2018 City-Wide and Area Specific

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**Development Charge Background Study and By-Laws
Review Highlight Report", be approved;**

- 8. That staff be directed to cease collecting the difference between Engineering Development Charges paid at registration of a subdivision, and those owing, calculated at rates in effect at building permit issuance, on the same registered units;**
- 9. That the City Treasurer and City Solicitor be delegated joint authority to execute Development Charge Pre-Payment Agreements, under Section 27 of the Development Charges Act and in accordance with the criteria set out in this report and any additional administrative and legal criteria deemed necessary by the City Treasurer and City Solicitor to protect the interests of the City, and such authority be limited to the period beginning on May 24, 2018 and ending on September 20, 2018;**
- 10. That Council commit to funding the future operating costs associated with the growth-related capital forecast contained in the Development Charge Background Study, which is estimated to reach \$32.9 million for general services and \$6.3 million for City-Wide Engineering Services by 2027;**
- 11. That Council commit to funding the full life-cycle costs associated with the growth-related capital forecast contained in the Development Charge Background Study, which are estimated to reach \$10.2 million by 2028 for general services, \$24.8 million by 2032 for city-wide engineering services, and \$1.7 million for related assets covered by the Area-Specific Development Charges;**
- 12. That Council commit to funding the capital costs that require funding from non-development charge sources associated with the growth-related capital forecast contained in the Development Charge Background Study, which is estimated to be a total of \$77.5 million over the next ten years;**
- 13. That staff be directed to establish a work plan from the enactment of the 2018 DC by-laws to the enactment of the next DC-by-laws, which will include an internal review of the City's DC rate calculation practices and DC related policies;**

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14. That Council confirm that no further public meetings pursuant to the Development Charges Act, 1997 are required prior to the enactment of the new Development Charge by-laws; and
15. That notice of adoption of the by-laws be given as required under the Development Charges Act, 1997;
- 2) That following recommendations from the Finance, Administration and Audit Committee meeting of April 3, 2018, be approved:
 - 1) That the following report and recommendations of the Chief Financial Officer and City Treasurer, dated April 3, 2018, be referred to the Finance, Administration and Audit Committee meeting of May 7, 2018, for consideration;
 - 2) That the presentation and Communication C4, presentation material entitled, "City of Vaughan Development Charges Study Finance, Administration and Audit Committee Public Meeting", be received;
 - 3) That confidential Communication C1, memorandum from the City Solicitor and the Chief Financial Officer and City Treasurer, dated April 3, 2018, be received and referred to the Committee of the Whole (Closed Session) meeting of April 3, 2018 for the purpose of receiving legal advice;
 - 4) That the deputation of Mr. Ian Andres, Goodmans, LLP, Bay Street, Toronto, on behalf of Smart Centres, be received; and
 - 5) That the following Communications be received:

C2. Mr. Jay Claggett, IBI Group, St. Clair Avenue West, Toronto, dated April 2, 2018; and

C3. Mr. Matthew A. Di Vona, Di Vona Law, Bloor Street West, Toronto, dated April 2, 2018;
- 3) That the report of the Chief Financial Officer and City Treasurer, dated April 3, 2018, be received; and
- 4) That Communication C4, presentation material entitled, "*2018 Development Charges Review*", be received.

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Council, at its meeting of April 11, 2018, adopted the following recommendation (Item 1, Report No. 4, Finance, Administration and Audit, April 3, 2018):

- 1) That the following report and recommendations of the Chief Financial Officer and City Treasurer, dated April 3, 2018, be referred to the Finance, Administration and Audit Committee meeting of May 7, 2018, for consideration;
- 2) That the presentation and Communication C4, presentation material entitled, "City of Vaughan Development Charges Study Finance, Administration and Audit Committee Public Meeting", be received;
- 3) That confidential Communication C1, memorandum from the City Solicitor and the Chief Financial Officer and City Treasurer, dated April 3, 2018, be received and referred to the Committee of the Whole (Closed Session) meeting of April 3, 2018 for the purpose of receiving legal advice;
- 4) That the deputation of Mr. Ian Andres, Goodmans, LLP, Bay Street, Toronto, on behalf of Smart Centres, be received; and
- 5) That the following Communications be received:
 - C2. Mr. Jay Claggett, IBI Group, St. Clair Avenue West, Toronto, dated April 2, 2018; and
 - C3. Mr. Matthew A. Di Vona, Di Vona Law, Bloor Street West, Toronto, dated April 2, 2018.

Report of the Chief Financial Officer and City Treasurer dated April 3, 2018:

Purpose

The purpose of this report is to present the 2018 City-wide and Area Specific Development Charges Background Study and By-Laws and to seek feedback from Council, the general public, and the development industry.

Recommendations

1. That the following report, presentation and confidential memo (provided under separate cover) be received;
2. That the 2018 Development Charges Background Study, subject to input from the public statutory meeting, and appropriate by-laws incorporating the development charge rates in:

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Attachment 1: City Wide Residential and Non-Residential
Development Charges

Attachment 2: Area Specific Development Charges

Be forwarded to the Finance, Administration and Audit Committee
meeting of May 7, 2018 for adoption;

3. That the 10-year growth-related capital forecast for general services and the growth-related capital forecast to 2031 for engineered services, included in the Background Study, subject to maintenance of service levels, the availability of funding, Council policies and input from the Statutory Public Meeting, be forwarded to the Finance, Administration and Audit Committee meeting on May 7, 2018 for endorsement;
4. That the proposed transition measures as outlined in this report and subject to input from the Statutory Public Meeting, be forwarded to the Finance, Administration and Audit Committee meeting on May 7, 2018 for endorsement; and
5. That the input from the public at the Statutory Public Meeting of April 3, 2018, be received

**4.3 PROPERTY MATTER REQUEST FOR PARKLAND DEDICATION
RELIEF FOR THE AFFORDABLE HOUSING DEVELOPMENT AT 275
WOODBIDGE AVENUE**

**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
May 7, 2018:**

Recommendations

1. That Council direct staff to refund the amount of \$1,184,000, representing a portion of the cash-in-lieu of parkland payment paid by Housing York Inc., for its development of a 162-unit affordable housing building located at 275 Woodbridge Avenue.
2. That the Mayor and the City Clerk be authorized to execute all documentation required to complete any refund of the authorized Cash-in-Lieu of Parkland payment; and
3. That Council direct staff to review the City's Cash-in-Lieu By-Law and related policies, including the impact of expanding the exemptions, and report findings back to a future Council meeting.

**4.4 FISCAL HEALTH REPORT – FOR THE YEAR ENDING
DECEMBER 31, 2017**

The Finance, Administration and Audit Committee recommends:

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- 1) That the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated May 7, 2018, be approved; and
- 2) That the following be approved in accordance with Communication C1, from the Chief Financial Officer and City Treasurer, dated May 7, 2018:
 1. That Council approve following budget amendments:
 - a. That the capital budgets for AM-2528-17, AM-2529-17, EN-1851-14, EN-1843-11, EN-1696-08 be amended whereas funding source's for remaining unspent project budget as of December 31, 2017 be revised to the City's Federal Gas Tax Fund Reserve;
 - b. That the capital budget for CD-2015-15 be amended by replacing funding source of the Debenture Financing with the City's Federal Gas Tax Fund Reserve in the amount of \$4,118,368.75.

Recommendations

1. That the Fiscal Health Report for the Year Ending December 31, 2017 be received.

4.5 MUNICIPAL PARTNERSHIPS UPDATE

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Corporate Initiatives and Intergovernmental Relations, dated May 7, 2018:

Recommendations

1. That this report be received for information.

4.6 SLOPE STABILIZATION CHERRY HILLS ROAD OPEN SPACE

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Planning & Growth Management, dated May 7, 2018:

Recommendations

1. That a new capital project be established in the amount of \$75,000 inclusive of administration recovery and applicable taxes to be funded from the Gas Tax Reserve.

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2. That staff be authorized to enter into an agreement with the Toronto and Region Conservation Authority to implement the required engineering review, design and consultation in accordance with their March 8, 2018 proposal (Attachment 2) at a cost not to exceed \$75,000 including tax and contingency allowance;
3. That inclusion of this matter on a Public Committee or Council agenda with respect to amending the 2018 capital budget be endorsed as meeting the requirements for sufficient notice pursuant to Section 2(1) (c) of By-Law 394-2002 as amended.

4.7 BILLBOARD REVENUE POTENTIAL

The Finance, Administration and Audit Committee recommends:

- 1) **That the recommendation contained in the following report of the Chief Corporate Initiatives and Intergovernmental Relations, dated May 7, 2018, be approved, with the locations listed in Attachment 1 being as follows:**

Site 1 - 2800 Rutherford Road (west of Melville Avenue);

Site 2 - 5020 Hwy 7 at Islington Avenue;

Site 3 - Bathurst Street & Queen Filomena Avenue;

Site 4 - Bathurst Street and New Westminster Avenue;

Site 5 - Hwy 7 between Martin Grove Road and Kipling Avenue;

Site 6 - Jane Street and Springside Road;

Site 7 - Keele Street and Teston Road; and

Site 8 - Weston Road and Retrest Boulevard.

Recommendations

The Chief Corporate Initiatives and Intergovernmental Relations recommends:

1. THAT Council approve the site locations in Attachment 1 to be leased to a third party out-of-home advertising company for the purposes of erecting and managing advertising signs; and
2. THAT Staff be directed to take the necessary action to initiate the procurement process pursuant to this report, and subsequent contractual agreement.

**4.8 CLEAN WATER AND WASTEWATER FUND AWARDED PROJECTS
FUNDING REALLOCATION**

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of

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the Deputy City Manager, Public Works and the Chief Financial Officer and City Treasurer, dated May 7, 2018:

Recommendations

1. That Council authorize the City Treasurer to apply the required budget amendment to the existing approved capital funding arising from the CWWF funding reallocation.

4.9 CAPITAL BUDGET AMENDMENTS FOR REPLACEMENT TANDEM DUMP TRUCKS - FL-5425-18 AND FL-5427-18

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Public Works, dated May 7, 2018:

Recommendations

1. That the approved budget in Capital Projects FL-5425-18 - PW-RDS-Replace Unit #1094 with tandem dump truck and FL-5427-18 - PW-RDS-Replace Unit #1159 with tandem dump truck be increased by a combined amount of \$92,000, funded from the Vehicle Replacement Reserve; and
2. That inclusion of this matter on a Public Committee or Council agenda with respect to amending the capital budgets as identified above be deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002, as amended.

4.10 HOME DIALYSIS FINANCIAL RELIEF PLAN PROGRAM CHANGES

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Chief Financial Officer and City Treasurer, dated May 7, 2018:

Recommendations

That Council amend By-Law Number 076-2016 to ensure that eligible Vaughan residents undergoing home hemodialysis have access to financial relief from the City in the absence of a home hemodialysis grant program through the Ontario Renal Network or any other agency.

4.11 MOBILITY & DIGITAL TRANSFORMATION OF BUILDING INSPECTION SERVICES

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 May 7, 2018:

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Recommendations

1. THAT a 2018 capital project be created for the acquisition of digital resources to modernize building field inspection services, with a budget of \$260,000 inclusive of applicable taxes and administration recovery and funded from the Building Standards Service Continuity Reserve; and
2. THAT the inclusion of this matter on a Public Committee or Council agenda with respect to amending the Capital Budget identified as "Mobility & Digital Transformation of Building Inspection Services" is deemed sufficient notice pursuant to Section 2(1)(c) of By-Law 394-2002, as amended.

4.12 FIRE SAFETY IN KLEINBURG AREA AND RECOMMENDATION FOR STATION 7-4

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following report of the Deputy City Manager, Community Services and the Fire Chief, dated May 7, 2018:

Recommendations

1. That a temporary trailer be placed at the existing site of Fire Station 7-4 by December 1, 2018 to deploy firefighters until the new Fire Station 7-4 is complete.
2. That a transfer from corporate contingency in the amount of \$21,000 be approved to fund the trailer costs in 2018 and that Vaughan Fire and Rescue Services' 2019 operating budget be increased by a one-time amount of \$27,000 to accommodate 2019 lease costs.

4.13 SOCIAL PROCUREMENT POLICY FOR THE CITY OF VAUGHAN

The Finance, Administration and Audit Committee recommends approval of the recommendation contained in the following resolution of Regional Councillor Singh, dated May 7, 2018:

Member's Resolution

Submitted by Regional Councillor Sunder Singh

Whereas, in its Corporate Procurement Policy "the City recognizes that through its procurement function it has the authority to bring about environmental and social improvements both locally and globally while maximizing economic benefits; and

Whereas, there is scope to provide guidelines for the procurement evaluation process to achieve the City's objective to pursue social and community development goals through its procurement function; and

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Whereas, the advancement of social and community development goals through procurement must be consistent with all trade agreements.

It is therefore recommended:

1. That the Chief Financial Officer & City Treasurer report to a future Finance, Administration and Audit Committee on:
 - a) The feasibility of implementing a Social Procurement Policy;
 - b) A review of the implementation of social procurement policies in other jurisdictions including, but not necessarily limited to, the cities of Toronto, Mississauga (ON), Calgary (AB) and Vancouver (BC);
 - c) Consultations with relevant stakeholders, including but not limited to:
 - i. City departments including Economic Development and Legal Services;
 - ii. Construction associations and other relevant professional associations;
 - iii. Public sector institutions including, Vaughan Public Library, the Ministry of Government and Consumer Services, Supply Chain Ontario, the Ministry of Economic Development and Growth, the Ministry of Advanced Education and Skills Development, the Ministry Citizenship and Immigration, the Ministry of Community and Social Services, the Ministry of Labour and the Ministry of Municipal Affairs;
 - iv. The United Way of Greater Toronto;
 - v. Community partners and agencies engaged with social purpose enterprises and workforce development programs; and
 - vi. Non-profit supplier diversity organizations who certify businesses as diversely owned, controlled and managed;
 - d) Consideration be given to:
 - Community involvement;
 - Diversity and inclusion;
 - Poverty reduction;
 - Accessibility and disability supports;
 - Environmental protection;
 - Ethics and financial stewardship;

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- Human rights respect; and,
- Health and safety.

4.14 NEW BUSINESS – FENCE AT RUTHERFORD ROAD GO STATION

The Finance, Administration and Audit Committee recommends:

- 1) That staff report back to a future meeting regarding the cost of the fence repairs at the Rutherford Road Go Station; and
- 2) That Metrolinx be contacted regarding the installation of the sound barrier fence at this location.

The foregoing matter was brought to the attention of the Committee by Councillor Yeung Racco.

**4.15 COMMITTEE OF THE WHOLE (CLOSED SESSION) RESOLUTION
MAY 7, 2018**

The following resolution was passed to enable Committee of the Whole (Closed Session) to resolve into closed session for the purpose of discussing the following:

- 1) **CIVIC HERO AWARD – WARD 3**
(personal matters about an identifiable individual)
- 2) **LICENSE RENEWAL, FRUIT AND VEGETABLE STAND,
VICINITY OF ISLINGTON AVENUE, SOUTH OF HWY. 7**
(acquisition or disposition of land)
- 3) **PROPERTY MATTER
LEASE EXTENSION
SOCIETY FOR THE PRESERVATION OF HISTORIC
THORNHILL ARCHIVES
ARMSTRONG HOUSE
42 OLD YONGE STREET, THORNHILL**
(acquisition or disposition of land)
- 4) **POTENTIAL LITIGATION MATTER – TRANSCANADA'S
STATION 130 C4 PROJECT**
(litigation or potential litigation)
- 5) **LOCAL PLANNING APPEAL TRIBUNAL APPEALS
VAUGHAN OFFICIAL PLAN 2010
CASE NO. PL111184**
(litigation or potential litigation)

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- 5) **LOCAL PLANNING APPEAL TRIBUNAL
ISLAMIC SHIA ITHNA-ASHERI JAMAAT OF TORONTO
9000 BATHURST STREET
OFFICIAL PLAN AMENDMENT FILE OP.13.013
ZONING BY-LAW AMENDMENT FILE Z.13.036**
(litigation or potential litigation)
- 6) **LOCAL PLANNING APPEAL TRIBUNAL APPEALS
APPEAL OF VAUGHAN OFFICIAL PLAN 2010
YONGE-STEELES CORRIDOR SECONDARY PLAN APPEALS**
(litigation or potential litigation)
- 7) **LOCAL PLANNING APPEAL TRIBUNAL HEARING
LAURIER HARBOUR (KEELE) INC.
9560 & 9570 KEELE STREET
OFFICIAL PLAN AMENDMENT FILE OP.15.008
ZONING BY-LAW AMENDMENT FILE Z.15.034
DRAFT PLAN OF SUBDIVISION FILE 19T-15V014**
(litigation or potential litigation)
- 8) **POTENTIAL LITIGATION – MAPLEWOOD VILLAGE PLAZA**
(litigation or potential litigation)
- 9) **UPDATE ON RECRUITMENT OF SENIOR POSITIONS**
(personal matters about an unidentifiable individual)

Regional Councillor Ferri declared an interest with respect to Item 6 of the Committee of the Whole (Closed Session) resolution as he had a former business relation with the applicant at a time when he was not a Member of Council and did not take part in the discussion or vote on the matter.

The meeting adjourned at 11:52 a.m.

Respectfully submitted,

Councillor Rosanna DeFrancesca, Chair