

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 16, 2016

Item 3, Report No. 10, of the Committee of the Whole (Working Session), which was adopted, as amended, by the Council of the City of Vaughan on February 16, 2016, as follows:

By approving that recommendation 6 in the report of the Chief of Corporate Initiatives and Intergovernmental Relations, dated February 9, 2016, be amended to read as follows:

That City Staff report back to Council in 2016 with the contractual agreements for Council approval to finalize and operationalize the development of the facility.

**3 VAUGHAN METROPOLITAN CENTRE (VMC) YMCA CENTRE OF COMMUNITY,
LIBRARY AND RECREATION SPACE PROPOSED FUNDING PARTNERSHIP
WITH THE YMCA OF GREATER TORONTO
WARD 4**

The Committee of the Whole (Working Session) recommends:

- 1. That the recommendation contained in the following report of the Chief of Corporate Initiatives and Intergovernmental Relations, dated February 9, 2016, be approved;**
- 2. That the following deputations be received:**
 - 1) Ms. Debbie Sevenpifer, Chief Financial Officer, YMCA of Greater Toronto, Yonge Street, Toronto;**
 - 2) Mr. Marco Filice, Liberty Development, Steelcase Road, Markham;**
 - 3) Ms. Paula Bustard, SmartReit, Applewood Crescent, Vaughan;**
 - 4) Mr. Andrew Muto, Create Healthy Food Inc., Westcreek Drive, Woodbridge; and**
 - 5) Mr. Richard Martz, Live Work Learn Play, St. Paul West, Toronto; and**
- 3. That the following Communications be received:**
 - C1. Confidential Communication from the City Solicitor, dated February 8, 2016; and**
 - C2. Chief Corporate Initiatives and Intergovernmental Relations, dated February 8, 2016.**

Recommendation

The Chief of Corporate Initiatives and Intergovernmental Relations, in consultation with the City Solicitor, Acting Deputy City Manager Community Services and Director of Financial Planning and Development Finance and Deputy City Treasurer and Chief Executive Officer Vaughan Public Libraries, recommend:

- 1. THAT City Staff be given the authority to finalize and execute a binding term sheet, following the parameters within this report, with the YMCA of Greater Toronto to locate within the Vaughan Metropolitan Centre: a YMCA Centre of Community, including a child care centre and a City of Vaughan Library and Recreation Space at the location shown on Attachment 4 which has been identified in the VMC Secondary Plan as permitting community centre and library uses;**
- 2. THAT Council authorize Staff to include within the binding term sheet, between the City and the YMCA, a City contribution of up to 2/3 of the construction and project-related costs of the YMCA Centre of Community, and a total project cost for the City of up to \$45.6 million to be paid over a period of no less than 15 years;**

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3. THAT Council endorse Staff to work with the YMCA to secure any relevant government grants that could lessen the 2/3 funding commitment from the City for the construction and related project costs of the YMCA Centre of Community, in addition to long-term operations;
4. THAT Council approve the interior schematic design of the YMCA Centre of Community, City Library and recreation space by Diamond Schmitt Architects and endorse the movement of the project to a detailed design phase;
5. THAT Council direct Staff to initiate the appropriate process to have the YMCA Centre of Community, Library and Recreation Space declared a Municipal Capital Facility;
6. THAT City Staff report back to Council in 2016 with the contractual agreements required to finalize and operationalize the development of the facility.

Contribution to Sustainability

As described in the City's Strategic Plan, Vaughan Vision 20|20, Vaughan will continue to be a community of choice that promotes diversity, innovation and opportunity for all citizens, fostering a vibrant community life that is inclusive, progressive, environmentally responsible and sustainable.

Green Directions Vaughan embraces a Sustainability First principle. More specifically, Goal four states that sustainability means we make decisions and take actions that focus on "How We Live." Ensuring that actions by Council and Staff "create a vibrant community where citizens, business and visitors thrive". More specifically, the following objectives for Goal four apply:

- 4.1.4. Through creative urban design, as to be described in the new Official Plan, enhance social cohesion by creating more: (1) common indoor and outdoor public spaces; (2) public art; (3) parks and open space; and (4) central, accessible hubs for arts, culture, and recreation.
- 4.1.6. Provide more partnership opportunities for existing non-profit and volunteer groups to meet the community's social, cultural and recreational needs.
- 4.2. Ensure that the City of Vaughan attracts businesses and investment that will result in well-paying jobs for Vaughan citizens, a sustainable tax base and continuing prosperity into the 21st Century

Economic Impact

Advancing the development of the VMC Community Centre and Library must be economically beneficial to the City. The proposed agreement could save more than \$30 million in future operating and lifecycle costs.

Financial sustainability is a key priority for the City. Therefore, one of the primary considerations in advancing the development of the VMC community centre and library is ensuring that it is economically beneficial for the City.

A cost benefit analysis carried out by Staff evaluated the financial implications of two alternative approaches to advancing the VMC Community Centre and Library – a traditional build versus a proposed lease agreement between the City and the YMCA. The analysis considered the economic and financial impacts of these two alternatives on various elements including the City's capital and operating costs, asset lifecycle costs, funding sources, ownership opportunity and timing of asset delivery.

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As outlined through this report, the analysis revealed there is greater economic benefit to the City to progress with the proposed lease agreement for a YMCA Centre of Community, Library and recreation space. Current estimates excluding land and other capital costs suggest that over a 25 year lease agreement term with the YMCA, the City can save more than \$30 million in operating and asset lifecycle costs versus the City's traditional operating model. A high level summary of that analysis is provided as Attachment 1 to this report. Several financial aspects of this proposal are discussed in detail further in this report.

Communications Plan

Although a formal communication plan is not required, Staff have requested the CEO of Vaughan Public Libraries (VPL) to arrange for City Staff to present to all VPL Board Members at its 2016 February meeting.

The CEO of the VPL presented to the VPL Board at its May 2015 Board Meeting the opportunity for the advanced development of the Community Centre and Library in the VMC. The Board resolved that Library Staff should work with the City, YMCA and SmartReit to undertake the appropriate negotiations and further work that will allow Staff to present a cost benefit analysis with a financial and operational strategy at future 2015 meeting.

Key Messages

- The project will provide a critical amenity to early VMC adopters (employees and residents) improving their VMC experience.
- As a social anchor it will draw a more diverse mix people to the new downtown who would not otherwise have a reason to come at this early stage of its development.
- It will activate the mobility hub as a destination by giving people a reason to spend time there (vs. just pass through).
- Conservative estimates suggest that through a 25 year lease agreement term the City can save more than \$30 million of operating and asset lifecycle costs.
- Given the increasing land costs in the VMC, availability of land for purchase, and pressures on the City's operating and capital budget and competing interests, a traditional approach to building and operating the Community Centre and Library, including parking, in the VMC as identified in the ATMP in the next 15 years is highly unlikely.
- The proposed YMCA Centre of Community including child care centre, Library and recreation facility, are estimated to occupy a total of approximately 119,200 square feet, consisting of about 87,000 square feet for the YMCA Centre of Community, 22,000 square feet for the City recreation space and about 10,200 square feet for the City library.
- The heart of the new downtown will include a social and recreational facility that supports people of all ages and abilities.

Purpose

With Council's previous endorsement, Staff have been working with the YMCA, Vaughan Public Libraries and SmartReit for the past six months on a unique market-driven real estate opportunity that would support the advanced development of the VMC Community Centre and Library in partnership with the YMCA of Greater Toronto that fully achieves the City's Active Together Master Plan.

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Staff are continuing to work with the YMCA and SmartReit to finalize a DRAFT financial term sheet and a dynamic project design that will enable all parties to work together toward finalizing all necessary agreements for Council endorsement in 2016. Therefore, to continue with this opportunity it is necessary to enter into a binding term sheet for the project. The YMCA has submitted a communication (Attachment 2) that confirms their desire to formalize the partnership with the City and the development with SmartReit.

This report has been divided into the following three parts:

Part A: Background on Proposed Facility
Part B: Business Transaction and Financial Implications
Part C: Impact on the VMC as the new Downtown

Background - Analysis and Options

Part A: Background on Proposed Facility

The Development Begins to Make the Mobility Hub a Destination and Meeting Place

In addition to providing an opportunity to showcase design excellence and sustainability, this development begins to make the Mobility Hub a destination and meeting place as the new social anchor of the downtown. This is important because by incorporating layers of different uses (civic, cultural, commercial, entertainment and community facilities) that relate to everyday life, it will make the Mobility Hub a more convenient and pleasurable place, as opposed to the merely functional and transient environment of many transit nodes. This project will immediately create positive experiences and associations for visitors to the VMC and help transform the VMC into an urban destination to visit and spend time.

It is anticipated that in 2018 more than 1,000 new employees will be working in the first two office buildings, both located within the Mobility Hub nexus, and that more than 2,000 residents will be calling the VMC home. Furthermore, Economic Development identified that there is a current population shed of 27,000 residents within 2.5 km who would potentially use this facility. The YMCA Centre of Community, Library and recreation space will create a liveable downtown by integrating health and wellness, creating a truly transit-oriented development and pedestrian-friendly place for an accessible and high quality experience.

Implement the facility objectives of the City's Active Together Master Plan (ATMP)

Active living is a key to a healthy, prosperous city. Individuals and families enjoy longer lives. The economy functions better, powered by healthy workers. Healthy communities mean less of a burden on our health care system. The social fabric of our neighbourhoods is strengthened as residents play together and enjoy shared spaces.

The ATMP contains assessments that are based on several inputs, including demographic indicators, activity trends, facility provision principles, and priorities identified by the public, community groups, and internal stakeholders. As with all strategy documents, the best judgment in light of the information available to it at the time of preparation is used and is subject to change based on further analysis.

Given the increasing land costs in the VMC, availability of land for purchase, pressures on the City's operating and capital budget and competing interests, a traditional approach to building and operating the Community Centre and Library, including parking, in the VMC as identified in the ATMP in the next 15 years is highly unlikely.

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However, to implement the facility objectives of the ATMP, a new multi-purpose community centre and library are planned to be built in the VMC. The Plan contemplates that approximately 75,000 sq. ft. of space will be required for a community centre and 35,000 sq. ft. for the library on approximate 7ha (17 acres) of land, if not co-located within a more urban concept.

The ATMP states that the future site for the Centre and Library in the VMC should be highly visible, integrated with other civic or institutional uses where possible, and in the hub of activity with an animated and active street environment. It should be sited within a 5 minute walking distance of the York Region Transit (YRT) Bus Terminal and VMC Subway Station, and preferably located adjacent to a public park/urban square. The centre will serve not only residents and employees but also provide a convenient location for commuters passing through en route to a final destination.

In addition to the transit, the Centre should be accessible and located close to pedestrian and cycling networks and on a site that has sufficient frontage and is able to accommodate self-advertising and good visibility within the area. The Centre should be aesthetically pleasing and have a user-friendly layout that creates an inviting and comfortable environment to become a destination point for residents and visitors alike.

The proposed YMCA Centre of Community, Library and Recreation Space accomplish all of the requirements set out in the ATMP.

The City has been working with the YMCA on the opportunity to advance the development of a YMCA Centre of Community, Library and recreation space in the VMC within a SmartReit development. SmartReit is currently in the predevelopment phase for a new mixed-used building located at the corner of Apple Mill Road and Millway Avenue adjacent to the YRT Bus Terminal. The City and YMCA are proposing to locate a YMCA Centre of Community, Library and recreation space, including a child care centre, within this mixed-use development and begin operations in 2019.

The proposed facilities for the YMCA Centre of Community, including child care centre, City library and City recreation space are estimated to occupy a total of approximately 119,000 square feet, consisting of about 87,000 square feet for the YMCA, 22,000 square feet for the City recreation space and about 10,200 square feet for the City library.

The YMCA will be state-of-the-art operating a swimming pool, large gymnasium, conditioning and weight room, stretching areas, program studios, and community spaces. This space will also include approximately 5,000 square feet of child care space for children infant to preschool age.

The YMCA Centre of Community as illustrated in Attachment 3 has been designed to accommodate an extensive amount of programming opportunities for all ages as noted in Attachment 4.

Programming will be finalized through a community engagement process that will be undertaken jointly with the City recreation and library staff and YMCA. It is anticipated that the engagement process will commence shortly after Council direction is received.

As with all YMCA locations, there will be spaces for the community to host activities of their choice. In previous years the YMCA Community spaces have hosted Municipal All Candidates Debates, Local BIA meeting, Local Not-for-Profit events, Trade Shows, Job Fairs to name a few.

The YMCA is the largest provider of Not-for-Profit child care in Canada, the VMC location will provide child care for infant to preschool age. The YMCA Playing to Learn™ curriculum prepares children for primary school education by using play as a learning medium. Children are given opportunities to discover and explore in spaces that support and encourage social, emotional, cognitive and physical development.

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City Recreation Space Has an Opportunity to Build On Other Community Centre Offerings

The City's recreation space (Attachment 3) will complement the offerings of the YMCA Centre of Community by using a model established by The Studios in Seattle. Additional information about The Studios can be found at www.thestudios.org. The Studios offer community space that is multi-purpose in nature and easily programmed to fit a variety of recreational needs centered on performance arts. This type of programming is currently offered at the City's existing community centres in multi-purpose space. The space at this location is also designed to accommodate event and other revenue generating opportunities.

Recreation Services also identified a need for a community kitchen. This has been accommodated into the design of the facility. Community kitchens are a community development tool. They help people share knowledge, ideas, cultures, lifestyles—and food. The reasons for getting involved in a kitchen may differ but every participant experiences the good food, increase in culinary knowledge, and rich social benefits of their shared efforts. Community kitchens invite people to help themselves, each other, and their communities.

Part B: Business Transaction and Financial Implications

Under the proposed deal, SmartReit will convey ownership to the YMCA of the total space occupied by the facilities through the transfer of strata title to the YMCA. The YMCA will therefore own the facilities and will lease the City library and recreation spaces to the City. The City will have right of first opportunity to acquire ownership of the YMCA facility from the YMCA, for a not-for-profit community centre use, if the YMCA ever intends or attempts to dispose of its ownership interest in the YMCA facility.

Both the City and YMCA share in key aspects of the Business Transaction

- City to fund 2/3 of YMCA Centre of Community Capital Cost (Estimated at \$27.6M)
- City to fund 100% of City Library/City Recreation space (Estimated at \$18M)
- City to fund capital cost through regular payments to YMCA over a 25 year period through lease agreement (Estimated at \$1.7M per annum)
- City to pay operating/maintenance costs associated with City Library/City Recreation space through lease agreement beginning in 2019 (Estimated at \$1.1M per annum)
- City to contribute towards Strata Title ownership for YMCA
- City to guarantee YMCA financing from Infrastructure Ontario
- YMCA to provide the City with First Right of Opportunity should YMCA ever vacate the facility (purchase price to be reduced by a pre-agreed amount with YMCA in recognition of City's previous capital contributions)
- YMCA to fund 1/3 of YMCA Centre of Community Capital Cost (Estimated at \$13.8M)
- YMCA to cover initial capital cost of facility through debt financing
- YMCA to cover all operating costs associated with facility
- YMCA to cover all lifecycle costs associated with facility
- YMCA to provide an access agreement to the City to guarantee YMCA membership fee based access to all Vaughan residents/businesses

The City will become both a major funding partner and tenant through a lease agreement

Through the lease agreement between the City and the YMCA, the City would be a contributing partner in funding the project. The total cost to build the proposed facilities is currently estimated at \$59.4 million which includes construction-related costs that have been estimated at a

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maximum of \$500 per square foot. The City's portion of this total project cost would be \$45.6 million and would consist 100% of the capital costs for the City library and City recreation facilities and 2/3 of the capital costs of the YMCA facility. The proposed allocation of the project's estimated capital costs are outlined below:

Capital Cost Component (\$M)	City Funded	YMCA Funded	Total
YMCA Centre of Community	\$ 27.6	\$ 13.8	\$ 41.4
City Recreation	\$ 10.9		\$ 10.9
City Recreation – Furniture & Equipment	\$ 0.9		\$ 0.9
City Library	\$ 5.1		\$ 5.1
City Library – Furniture, Equipment & Resource Material	\$ 1.0		\$ 1.0
Total Capital Project Costs	\$ 45.6	\$ 13.8	\$ 59.4

In addition to the City funded cost identified above, it is common practice for a municipality to provide the land required for YMCA partnership. Given that the City does not currently have land interests in the VMC, staff are recommending that a contribution be made to the YMCA for 100% of the stratified title acquisition purchase price. Land appraisals from two separate appraisal firms were attained for this purpose. The results of the land appraisals and the required funding will be the subject of a report to Closed Session on February 1, 2016.

The City's funding contribution will be paid out over a long period of time

The land acquisition and construction-related costs are expected to be paid to SmartReit over the development timelines for this project. Payments will be made by YMCA to SmartReit with the City reimbursing the YMCA through the lease agreement for its share of the project costs. It is anticipated that the YMCA will leverage Infrastructure Ontario financing to take advantage of preferable lending terms and to the extent possible to allow the capital cost impact for the facilities to be spread over a 25 year period. In order for the YMCA to secure the needed financing from Infrastructure Ontario, the City will be required to guarantee the total value of the loan to Infrastructure Ontario.

With some of the project's capital costs funded by the YMCA, the proposed lease agreement results in a reduced capital cost impact to the City versus a traditional build. The lease agreement also provides the City with the opportunity to spread the capital cost impacts over a longer period of time, this helps match the expected DC revenues from the VMC area with the capital expense of this facility.

A 2/3 government funding contribution is common for YMCA partnerships

For the construction-related costs, it is the YMCA's standard practice to enter into a funding structure with local and senior levels of government to share in the development costs of new YMCA facilities. This structure allows for the cost of the YMCA facility to be split equally three ways between the parties. Due to the development timelines for this project, the YMCA is constrained to secure provincial funding for this project at this time. They would require that the City agree to be the backstop for 2/3 of the total funding requirement for the YMCA facility and the YMCA would fund the remaining 1/3 of the cost. The City's 2/3 funding contribution of the YMCA facility construction costs has occurred in other YMCA developments, most recently in the YMCA's Richmond Street development with the City of Toronto. The YMCA has agreed to continue lobbying for additional funding from senior levels of government which, if acquired,

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would reduce the City's share of cost. If City Staff and the YMCA are successful in acquiring relevant government grants for the project, the impact to the City could be reduced by up to \$13.8 million. As the availability of this funding is uncertain at this time City Staff has assumed the full 2/3 contribution in all analysis to ensure affordability to the City.

An adjustment to the City's long term capital plan will be required to allow the YMCA Centre of Community, Library and recreation space to move forward

The current balance within the indoor recreation reserve is healthy, but there must be consideration for the effect that the project will have on the timing of other recreation projects. A community centre in Block 40/41 is identified in the current long-term capital plan based on the 2013 DC Background Study with the purchase of land slated in 2017 and construction following in 2019/20. In order to facilitate the construction of the YMCA and recreation space the timing of the construction of this project would need to be adjusted to 2023/24 while the purchase of the land would occur in 2019. This adjustment would better align the timing of the Block 40/41 facility with anticipated growth in the area. The Block 40/41 Library construction would also be realigned with the Community Centre.

The development will have a positive impact on the City's DC service levels

It should be noted that the approximate 87,000 square feet of YMCA space and the cost of the strata title transfer are both eligible for inclusion in the City's development charge service level. City Staff will aim to include the full value for both of these items in future development charge service level updates. These service levels are used to establish future development charge rates and determine the amount of development charges that may be collected to fund new facilities.

The impact of the co-funding cost component will be spread over time

Of the total cost of the project that will fall to the City, 10 per cent must be funded using a non-DC funding source. Typically the funding source relied upon for these types of projects has been property tax. In an attempt to mitigate future property tax impacts City Staff will explore other funding options including the use of Section 37 contributions where possible. The impact will also be softened through the lease arrangement with the YMCA which will spread the cost up to 25 years. If a property tax impact is experienced based on the 10 per cent co-funding, this is not expected to take effect until the 2019 budget.

The effect on future operating budgets is significantly favourable for the City

While the City's recreation service delivery model is built on a user fee and free program delivery model, the YMCA is membership based. The YMCA operates in this manner largely because it relies only on operating revenues and donations to be sustainable. All revenues generated by the YMCA for memberships and programming will remain with the YMCA. In return, the YMCA will assume all operational and lifecycle maintenance costs for their portion of the project. Conservative estimates suggest that through a 25 year lease agreement term the City can save more than \$30 million of operating and asset lifecycle costs.

The City will be responsible for the operating and life cycle maintenance costs for the library and recreation spaces. These costs will not be incurred in this term of Council with the anticipated opening of these facilities occurring in early 2019. The recreation space is not anticipated to produce a significant operating impact as it will not be staffed on a full time basis, but rather as needed when specific events or programming are underway. The library will have a more significant operating impact which is estimated at approximately \$0.9 million per year. Other shared building costs such as utilities and facilities maintenance will be allocated to the City through a cost sharing agreement with the YMCA which has not yet been finalized.

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Part C: Impact on the VMC as a new Downtown

The creation of civic infrastructure at the outset of the VMC incorporated into a dense, mixed-use development demonstrates the City's leadership, commitment and investment in a people-first approach and quality of life in the City's new downtown, while supporting the broader goals and vision of the downtown as articulated and endorsed by Council in the VMC Secondary Plan.

7.4.5: The site layout, built form and quality of design of libraries, cultural facilities and other community buildings shall be compatible with the planned form of development in the VMC. This will entail the development of alternative standards and forms for these facilities, including multi-storey buildings and underground parking areas. Arrangements between the City and developers that result in relatively compact, well designed community facilities, and offset the increased cost of land and alternative design standards, shall be encouraged.

The location also conforms to the VMC Secondary Plan in that the proposed location falls within the area identified on Schedule E: Community Services and Cultural Facilities. Furthermore, through mediation, Recreation Department and Library Staff participating in the negotiations narrowed the area for a potential multi-purpose community centre/library.

The Facility should be high-performing in every aspect – environmentally, economically, and experientially in its service offerings – giving people better, brighter, healthier spaces to work and play

At the centre of the VMC, the location of the proposed development is seamlessly connected to high-order transit, important public realm destinations, and mixed-use development to provide future residents, employees and visitors with easy access to community services. This highly visible and strategic location is adjacent to the VMC's primary urban plaza, which is intended to be a highly public programmed space and a focus of early public realm activation.

Within the primary zone of the Mobility Hub, the inclusion of a Community Centre and Library instantly places the community at the heart of the downtown.

Layered together, these built form, public realm and programmatic components will create a primary hub that is a destination for a critical mass of people rather than a place to pass through, helping to achieve the vision for this important Mobility Hub as outlined by Metrolinx and the VMC Secondary Plan. The exciting mix of services and amenities at this central location will help to attract and engage a diverse population to the VMC. This development will help to catalyze community and economic development in Vaughan's emerging downtown with early phase programmatic vibrancy and pedestrian activity.

Ensure a Strong Placemaking Value

The proposed co-developed YMCA Centre of Community, Library and recreation space provides immense placemaking value to Vaughan and the VMC's development in three primary ways:

- A Civic Presence: The development of a YMCA Centre of Community, Library and recreation space will establish a clear civic presence in the VMC. This is a real project opportunity that will signal in a tangible way municipal investment in social infrastructure and economically beneficial development partnerships. Given that the City does not have substantial land holdings in the VMC (instead relying solely on its private sector partners to implement the City's vision) this project is a real opportunity for the City of Vaughan to be the master of its own destiny with regards to a major early-stage and long-term anchor to the new downtown.

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- **Diverse Community Programming:** The YMCA Centre of Community, Library and recreation space will provide a space for community programming, both recreational and educational in nature, with a diversity of positive offerings and experiences.
- **A Development Catalyst:** The development will likely help to unlock further development opportunities in this central “Core” area – ideally coinciding with or near to the opening of the Spadina Subway extension. As Live Work Learn Play (LWLP), the City’s Development Facilitator, has highlighted, major office users want to locate in areas that provide their employees high-quality urban lifestyles including easy commutes and close proximity to daily services and amenities. The announcement of a state of the art YMCA Centre of Community, Library and recreation space will help catalyze and secure other major office deals to the new downtown. The project immediately offers an important piece of what employers are looking for and signals real estate investment. It will also benefit residential sales efforts, providing a significant quality-of-life value-add to potential VMC residents, and potentially increasing the pace of absorption.

Leverage and Build Upon Existing Investment and Development Momentum

The proposed YMCA Centre of Community, Library and recreation space is to be located in the VMC’s Mobility Hub, where major public and private investments are already being made and where development activity is already happening. This co-developed project, if approved, will be the fourth major development to be proposed within the Mobility Hub behind the KPMG building (300,000 SF of office space), Transit Square, TTC Station and the York Region Transit Bus Terminal; currently, several more projects for this area including a new condominium and the first phase of SmartReit’s named “Central Park” for the north-west quadrant of the VMC are planned.

Focus on the Creation of a Concentrated User Experience

The area in and immediately adjacent to the VMC’s Mobility Hub (the lands directly around the extension of the Spadina Subway) have been identified in the VMC Secondary Plan as the ideal place for a Library/Community Centre to develop, being the “centre ice” of the new downtown. In developing the facility around the existing and planned investments described above, the proposed YMCA Centre of Community, Library and recreation space reinforces this central area of activity and ensures its early-stage success by concentrating another critical anchor within this geographic area. It adds an important and currently missing service offering to the area – services necessary to achieve Vaughan’s and landowners’ joint vision of this area becoming “The Core” of the new downtown.

Drive People Traffic and Visitation

The YMCA Centre of Community, Library and recreation space will establish in the early years of the VMC a true centre for community gathering – a space where residents of Vaughan, no matter their civic, cultural or ethnic identity can come to and use. The YMCA of Greater Toronto makes the delivery of such an experience a core service mandate for any and all new centres it develops – many of which are sited in the downtown of municipalities so that they may truly become the centre for the community.

As a result the proposed YMCA Centre of Community, Library and recreation space will be a destination that will:

- **Prolong the Stays of Early Adopter VMC Residents and Employees:** There will be an existing population of residents and employees in the downtown in the early years, with limited service offerings. The Community Centre has the ability to give those early adopters reasons to spend additional time in the central area of the VMC, and potentially return more frequently beyond their traditional commuter or resident behaviours.

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- **Attract New Visitors/Users and Generate Repeat Visitors to the VMC:** The collective programming of the Community Centre, located within less than a 5-minute walk from the subway station and the regional bus terminal, will allow the VMC to attract and capture the customer demand of not just Vaughan residents but likely also employees, students and residents of northern Toronto, and parts of Markham and Brampton as well seeking access to this significant community anchor amenity. This will in effect, create tremendous repeat visitation to the VMC from users groups who would not otherwise come to the VMC at an early stage of its evolution, well ahead of much additional residential, retail or office development coming on-line.

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

The Term of Council Service Excellence Strategy Map identifies 16 Council priorities. Moving forward with the proposed partnership with the YMCA directly impacts five of the priorities.

- Facilitate the development of the VMC
- Continue to ensure the safety and well-being of citizens
- Support and promote arts, culture, heritage and sports in the community
- Attract investment and create jobs
- Invest, renew and manage infrastructure and assets

Regional Implications

Not Applicable

Conclusion

The proposed YMCA Centre of Community, Library and recreation space project is an important city-building opportunity in the Vaughan Metropolitan Centre. Given the city-wide pressures on the DC reserves, high land values in the VMC, and the earlier than expected projected need for community infrastructure service levels in the VMC, negotiating a successful real estate outcome could leverage other methods of funding capital infrastructure and in particular, recreation and library services. Given that these services belong to the “soft services” category for DCs, they face several funding restrictions that are not experienced by that of roads, water, waste water and storm water infrastructure and therefore will have to be approached differently in the VMC area.

This proposed 119,200 square foot development will immediately help to create a liveable downtown and urban destination. The project integrates health and wellness with transit and mixed-use development, creating a truly transit-oriented development and people-first place, while simultaneously responding to the financial challenges of the City.

With this project, the Vaughan Metropolitan Centre becomes a leading example of successful planning and development for a mobility hub as a vibrant, mixed-use environment.

Attachments

Attachment 1 – Summary of Financial Analysis – Traditional Build v. YMCA Partnership
Attachment 2 – YMCA of Greater Toronto Communication Re: Binding Term Sheet
Attachment 3 – Architectural Rendering Interior
Attachment 4 – YMCA Programming Opportunities
Attachment 5 – VMC Site

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 16, 2016

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