

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF OCTOBER 29, 2013**

Item 1, Report No. 11, of the Finance and Administration Committee, which was adopted without amendment by the Council of the City of Vaughan on October 29, 2013.

#### **1                    VAUGHAN METROPOLITAN CENTRE STORM WATER MANAGEMENT AND BLACK CREEK SPECIAL AREA DEVELOPMENT CHARGE UPDATE**

The Finance and Administration Committee recommends:

- 1)        That C2, Confidential Memorandum from the Commissioner of Legal and Administrative Services and City Solicitor and Director of Legal Services, dated October 4, 2013, be received; and
- 2)        That the recommendation contained in the following report of the Acting Commissioner of Finance & City Treasurer, Commissioner of Engineering & Public Works, Director of Development Finance & Investments and Director of Development/Transportation Engineering, dated October 7, 2013, be approved.

#### **Recommendation**

The Acting Commissioner of Finance & City Treasurer, Commissioner of Engineering & Public Works, Director of Development Finance & Investments and Director of Development/Transportation Engineering recommend:

- 1)        That staff report back to the Finance & Administration Committee regarding the Vaughan Metropolitan (VMC) Storm Water Management and Black Creek Special Area Charge (SAC) upon the substantial completion of the Environmental Assessment (EA) study.

#### **Contribution to Sustainability**

The objective of Development Charges (DCs) collection is to fund and construct new public infrastructure for new growth population, sustaining the same level of service experienced by that of the existing population.

#### **Economic Impact**

The 2013 Development Charges Background Study identifies a total project cost of \$54.2 million, funded by \$20.0 million in City Wide DCs and \$32.2 million through a SAC. While the \$20.0 million in City Wide DCs has been secured through the enactment of the City Wide DC by-law (assuming revenues are received consistent with the background study forecasts), the \$32.2 million SAC has not yet been enacted.

Given the integral nature of this project to bringing the VMC vision to fruition, it is necessary to work towards enactment of this SAC by-law to ensure that the City secures future funding for this vital capital project.

By ensuring that securities are collected through site plan and/or subdivision agreement until such time as a SAC is enacted, there will be no economic impact to the City. It should be noted, however that any works performed on this project should only be funded by the City Wide portion of DCs collected, up to the \$20 million, until such time as a SAC is enacted

#### **Communications Plan**

#### **Legislative Communication Requirements**

The DCA has mandatory communication requirements around advertising of at least one public meeting and the Clerk is mandated to carry out such advertising at least 20 days in advance of

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the meeting date. A Public Statutory Meeting will be held upon the completion of a new Background Study specific to this SAC and subsequent to the substantial completion of the EA study.

Subsequent to Council approval of the new DC SAC Background Study and the associated SAC by-law, appropriate notices will be advertised as prescribed by the DCA.

#### **Stakeholder Communications**

On June 25, 2013, Council approved additional funding for the EA Study Capital Project to retain a consultant to conduct a series of facilitated workshops to produce a channel concept that is generated iteratively and collaboratively by all property owners and stakeholders. It is envisioned that these early workshops, which are meant to produce a financially and technically feasible design, will help to inform further stakeholder communications regarding the SAC that will be enacted to fund the infrastructure.

#### **Purpose**

The purpose of this report is to seek Council's approval to defer the enactment of the VMC Storm Water Management and Black Creek SAC until the substantial completion of the EA study and the determination of final estimated costs associated with the project.

#### **Background**

During the 2013 DC review process it was determined that a SAC was required to be enacted to fund the necessary storm water related infrastructure within the VMC area. This included works on the Jane/7 Storm Water management pond, flood improvement works on the Black Creek channel, erosion improvement works on the Black Creek channel, urbanization and land acquisition. The total cost of these works was estimated at \$54.2 million. These cost estimates were very preliminary in nature.

The originally proposed SAC was set-up as a six tier system with different landowners paying different amounts based on the amount of relative benefit received from the infrastructure. The proposed charges ranged from \$2,294 to \$3,546,894 per net hectare.

On May 14, 2013 Council enacted the City Wide DC by-law and all SAC by-laws (effective dates of September 21, 2013) with the exception of the VMC/Black Creek related SAC. Several landowners came forward on May 14, 2013 with communications regarding the potential VMC/Black Creek SAC citing concerns with benefit allocation and the estimated cost of the infrastructure among other issues. Council resolved that the enactment of the VMC/Black Creek SAC would be deferred until September 2013, allowing staff more time to communicate with stakeholders.

On June 25, 2013 Council approved additional funding to the Black Creek EA Study for the purposes of retaining a consultant to facilitate workshops with landowners regarding the design of the Black Creek channel and the associated technical and financial feasibility thereof. Since approval of these additional funds, staff have retained the consultant to facilitate the workshops, which have been scheduled to begin in October and continue to January 2014. The time to complete an EA Study can be highly variable, but it is currently estimated to take approximately 6 – 8 months after the completion of the stakeholder consultations in January. Given the importance of this project staff and consultants are making every reasonable effort to move this EA Study forward in a timely manner. Upon completion of the stakeholder consultation for the EA Study and once a design concept and related cost estimate has been developed (estimated to be complete by second quarter 2014), staff will begin to re-engage the stakeholders in consultation specific to the SAC.

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Taking into consideration the landowner's request that a design and cost should be determined before a SAC is enacted and given the upcoming workshops to accomplish this goal, staff believe it is reasonable to defer the enactment of the SAC until the substantial completion of the EA study.

In the interim, staff believes it is in the City's best interest to collect securities through site plan and/or subdivision agreements in an amount consistent with the originally proposed SAC and in keeping with normal practice for potential SACs. The collection of the security will ensure the eventual payment towards the SAC by all developing landowners and ensure that development timing is not hindered in the VMC while the SAC is created and enacted.

**Relationship to Vaughan Vision 2020/Strategic Plan**

N/A

**Regional Implications**

The Region is a stakeholder as the Black Creek crosses at Highway 7 at Jane Street and flows parallel to the east side of Jane Street.

**Conclusion**

Staff recommend to defer the enactment of a VMC/Black Creek SAC until such time as the related EA Study has been substantially complete, which will include considerable stakeholder consultation and determination of a final estimated cost and proposed design. This should help to mitigate the concerns cited by the landowners and provide a fair and reasonable approach to establishing the funding source for this vital infrastructure. In the interim, staff intends to collect securities through agreement in an amount consistent with the originally proposed SAC in the 2013 DC Background Study.

**Attachments**

None

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