

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF JUNE 23, 2015

Item 1, Report No. 28, of the Committee of the Whole (Working Session), which was adopted without amendment by the Council of the City of Vaughan on June 23, 2015.

1 VAUGHAN METROPOLITAN CENTRE (VMC) COMMUNITY CENTRE/LIBRARY PARTNERSHIP WITH YMCA WARD 4

The Committee of the Whole (Working Session) recommends:

- 1) That the recommendation contained in the following report of the Executive Director, dated June 17, 2015, be approved; and**
- 2) That the presentation by Mr. Medhat Mahdy, President and CEO, YMCA of Greater Toronto, Yonge Street, Toronto and Communication C29 presentation material entitled, *YMCA/City of Vaughan Partnership*", be received.**

Recommendation

The Executive Director, in consultation with the City Manager, Commissioner of Planning, Interim Commissioner of Legal and Administrative Services, Director of Recreation and Culture, Director of Development Finance and Investments and the VMC Project Management Team recommends;

1. THAT the presentation by the YMCA Greater Toronto be received.

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 4 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

Given the complexities, market conditions and ever evolving dynamics of the VMC, the opportunity for the community centre and library should be integrated with various forms of development – singular uses such as an office building, a retail building, residential condos and

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parking structures or in a combination of those, as part of a mixed-use project. In any of these cases, an analysis specific to that development scenario would need to be conducted to ensure the City receives appropriate “value for money” and also to examine the impacts on capital funding sources, DC service levels going forward, operating impacts and potential offsetting revenue streams. Alongside these potential financial impacts, the analysis will explore the qualitative benefits arising from the chosen development scenario, including job creation, marketing and brand uplift and potential as an important traffic generator, creation of economy, as an early catalyst to the VMC.

Staff will engage with Live Work Learn Play Inc., to present a more detailed cost benefit analysis with a financial and operational strategy.

Communications Plan

Although a formal communication plan is not required, Staff have requested the CEO of Vaughan Public Libraries (VPL) to forward this meeting date and report to all VPL Board Members with an open invitation to attend. 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 SmartCentres 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.

Purpose

Staff have been working with the YMCA and SmartCentres on a unique market-driven real estate opportunity that could support the advanced development of the VMC Community Centre and Library. The result of the work and meetings that have taken place over the past six weeks has resulted in SmartCentres presenting an initial financial term sheet to the YMCA and City of Vaughan Staff on Wednesday, May 27, that will enable both the YMCA and City Staff to continue to work together toward a negotiated real estate interest option.

Although one of the primary considerations for Council must be related to the financial implications as the City is currently facing many financial challenges in regards to its timing of capital delivery as well as the resulting operating and lifecycle costs associated with those assets. It is also important that the partnership with the YMCA align with the facility objectives of the City's Active Together Master Plan (ATMP) and Council fully understand the services that the YMCA brings to the VMC and the City.

Background - Analysis and Options

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 the nature and quality of 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.

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The location also conforms to the adopted version of 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. It should be noted however, that although this is not in force yet that the parties have reached consensus on it.

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 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.

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, 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 help create positive experiences for visitors to the VMC and make the VMC a destination place 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 at this same mobility hub nexus, and that 2,000 residents will be calling the VMC home. The community centre and library will create a liveable downtown by integrating health and wellness, creating a truly transit-oriented development and pedestrian-friendly place for a 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.

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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.

To implement the facility objectives of the ATMP, a new multi-purpose community centre and library will be built in the VMC. The Plan contemplates that approximately 75,000 sq. ft. of space will be required for a co-located community centre and library on approximate 7ha (14 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 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.

DESIRED DESIGN AND AMENITIES

- Community centre must include provision for a pool, fitness centre, gym, and flexible, multi-use rooms (plus companion pieces, offices, storage etc).
- The fitness centre should be equipment based and include amenities such as treadmills, free weights and other exercise machines, as well as multiuse studio rooms (cycling, yoga etc.) and a running/walking track.
- The pool should be suitable for a broad range of community programming and be "senior friendly", including high levels of accessibility, accommodation for both lane swimming and lessons/classes, warmer water (incl. consideration for a therapeutic pool tank) and appropriate support space (e.g. change rooms).
- Ideally the centre should be on the ground, second and third floors in order to be highly visible to help strengthen the Vaughan identity and brand. As a second option, the centre could be on the second to fourth floors while maintaining ground floor presence such as a reception/information desk.
- Facility design should maximize multi-generation programming user safety, accessibility and convenience such as open concepts with easily facilitated customer access to reception and facility staff.
- Public Square programming can be maximized to tie in with City facilities and vice versa.

Advancing the development of the VMC Community Centre and Library must be economically beneficial to the City

The City is currently facing many financial challenges in regards to its timing of capital delivery as well as the resulting operating and lifecycle costs associated with those assets. The VMC, in particular, will require the City to consider different approaches to building community

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infrastructure to service the public needs given the unique nature of this development area. In negotiating a potential service delivery model for this Community Centre and Library, City staff and Live Work Learn Play will need to consider several quantitative and qualitative aspects of the business transaction:

- Maximization of service delivery to the public
- Timing of service delivery to the VMC development area
- Minimization of financial impacts to both existing and future tax payers
- Availability of capital funding
- Potential capital cost savings
- Long term operating cost savings
- Lifecycle replacement cost savings
- Long term ownership considerations

Ensuring a balanced approach to the economic analysis will be key to the decision making process. Both the VMC Resource Library and the Community Centre are incorporated in to the Development Charge (DC) Background Study for the 2020-2021 timeframe. This does not however, mean that the City will be in a position to purchase the land in advance, nor build the facilities in that timeframe. Factors such as the high cost of land, DC revenue inflow, costs and timing associated with other centres and libraries and operating impact considerations will in all likelihood push back the opening of any such facilities when faced with the issue of affordability. This is the impetus towards moving away from a conventional method of service delivery and seeking other innovative and economically beneficial methods.

In order to achieve something that is economically beneficial, the negotiating team will have regard for the following innovative methods and partnership opportunities (this list is non-exhaustive):

- YMCA's access to capital funding from senior levels of government
- YMCA's track record of providing high levels of service through a break even operating budget
- Community Access Agreements, such as the one negotiated between the City of Markham and the YMCA
- Potential smoothing of DC funded capital costs through capital lease arrangements
- Potential use of DC credits with SmartCentres to smooth capital impacts
- Potential use of Section 37 credits with SmartCentres to minimize the impact from the 10% co-funding requirement
- Potential impact of ownership models on the DC service level inventory
- Potential impact of non-conventional types of ownership models on the City's finances (e.g. condominium, joint, lease backs, etc.)
- Potential for staged opening of a Library facility and/or Community Centre to smooth operating impacts

The analysis of this economic benefit as well as any potential positive or negative impacts on capital/operating budgets will be brought back to Council to aid in the decision making process before final execution of any related MOUs or agreements.

Everyone should have access to the programs and services that enable them to achieve their optimal physical, social and mental health.

WHY THE "Y"

The ATMP identifies partnerships as one of its guiding principles for facility provision. Similar to private sector corporations who have a strong brand that can attract additional investment, like KPMG, the YMCA has an incredibly strong and well respected brand that helps attract other cultural, educational and social enterprises.

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In 2014, the YMCA was:

- Named Greater Toronto's Top Employers for 2015 for the seventh consecutive year.
- Named as one of Canada's Greenest Employers for the fourth consecutive year.
- Named as one of Canada's Best Diversity Employers by Mediacorp Canada for the third consecutive year.
- For the fourth time named as one of Canada's Top Employers for Young People.

THE Y BUILDS COMMUNITY FROM THE GROUND UP

The YMCA of Greater Toronto is a not for profit that has been effectively addressing the most critical social issues in the GTA since 1853. The Y is planning on building 10 new YMCA Centres of Community across the GTA through their Strong Start, Great Future Campaign and have identified a desire to work with Vaughan to locate one of the ten centres in the VMC.

Last year at the YMCA of Greater Toronto:

- More than 489,000 members participated in a YMCA program.
- 24 per cent of Health & Fitness members financially assisted and 21 per cent of Child Care children were financially assisted;
- More than 58,000 newcomers learned about their new country and developed important social support networks at YMCA Newcomer Services;
- Over 12,900 teens were welcomed into a safe environment free of charge at YMCA Teen Night; and
- Nearly 13,000 children learned how to swim at a YMCA Centre of Community

The YMCA has a track record as a responsible steward of government funding and a long-term commitment to communities making it a trusted partner for government not only in the GTA but across Canada. The YMCA has proven partner models with:

- City of Toronto
- City of Markham
- City of London

The YMCA is also active in York Region with a variety of programs and services to meet the needs of the community. They currently offer programs and services through:

- One Health and Fitness Centre
- Three Employment Centres (Itinerant services in all York Municipalities)
- (55) Child Care Centres
- Five Camps
- Five Youth Leadership Development Programs (One with a focus on newcomers)
- Outdoor Education Centre

COMMUNITY PARTICIPATION AND VOLUNTEER LEADERSHIP

The YMCA cares about legacy, and aim to be highly engrained in each community for generations. The YMCA in the VMC could be the first destination that Vaughan's new downtown has to offer. Its social and recreational composition would help to integrate Vaughan's existing communities with the introduction of engaging and inspirational programs.

Programs and services offered at Vaughan's YMCA would be determined through feasibility analysis and community consultations to ensure that they would reflect the needs of the City. The "Y" at the VMC will cater to all ages and abilities.

Relationship to Vaughan Vision 2020/Strategic Plan

In consideration of the strategic priorities related to Vaughan Vision 20|20, the report will provide:

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STRATEGIC GOALS:

Service Excellence – Providing service excellence to citizens.

Management Excellence

STRATEGIC OBJECTIVES:

Plan and Manage Growth & Economic Vitality.

Regional Implications

Not Applicable

Conclusion

Given the city-wide pressures on the DC reserves, the high land values in the VMC and the earlier than expected potential need for community infrastructure service levels in the VMC, it is in the best interest for the City to work toward the successful negotiation of a real estate interest that can 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.

As a downtown of the future, the VMC should be viewed as more than the sum of its parts. The inclusion of civic infrastructure in the earliest phase of the VMC provides a strong foundation for the core of the downtown that capitalizes on market momentum and a unique public/private development opportunity that can focus activity at the core where early phase development and investment is taking place.

Furthermore, acknowledging that the VMC's Park network will be implemented in multiple phases within a long term horizon, this recreational and cultural facility will provide the necessary community recreation space and services for residents, employees and visitors through the VMC's early implementation stages.

This project will provide for the high quality of life that is envisioned for the VMC, creating a balanced and complete community with the DNA of a City at the outset. This combined with the YMCA's commitment to serve more people in more communities creates a significant opportunity for a strategic partnership between the City of Vaughan and the YMCA of Greater Toronto.

Attachments

Attachment 1 – Architectural Rendering Exterior and Interior

Attachment 2 – VMC Site

Report prepared by:

Tim Simmonds, Executive Director, Office of the City Manager

(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.)