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Communication
COUNCIL: <u>May 23/18</u>
FAA Rpt. No. <u>5</u> Item <u>6.1.2</u>

DATE: May 15, 2018

TO: Honourable Mayor and Members of Council

FROM: Laura Mirabella, Chief Financial Officer and City Treasurer

RE: **ITEM #2 – FINANCE, ADMINISTRATION AND AUDIT COMMITTEE MEETING – MAY 7, 2018 – 2018 CITY-WIDE AND AREA SPECIFIC DEVELOPMENT CHARGE BACKGROUND STUDY AND BY-LAWS REVIEW**

Purpose

To seek Council's approval to remove two (2) proposed Area-Specific Development Charges (ASDC) from the Draft 2018 Development Charges Background Study.

Recommendations

1. That the Draft 2018 Development Charges Background Study that was recommended for approval in the communication titled "Item #2 – Finance, Administration and Audit Committee Meeting – 2018 City-wide and Area Specific Development Charge Background Study and By-laws Review" to Finance, Administration and Audit Committee on May 7, 2018 be updated to remove the two (2) proposed Area-Specific Development Charges outlined below:
 - a. Block 55 Sanitary Pumping Station & Forcemain Works;
 - b. Pine Valley North SPS and Forcemain (Block 40); and
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.

Background

A Public Statutory Meeting was held concurrent to the Finance, Administration and Audit Committee Meeting on April 3, 2018, where one (1) deputation and two (2) written communications were received from stakeholders. Through further consultation and review with said stakeholders, staff proposed an amended Draft 2018 Development Charges Background Study to the Finance, Administration and Audit Committee on May 7, 2018.

Subsequent to the Finance, Administration and Audit Committee on May 7, 2018, staff received additional communications from Castlepoint Investments Inc. and The Municipal Infrastructure Group Ltd., requesting that the proposed ASDCs for the Block 55 Sanitary Pumping Station and Forcemain Works and the Pine Valley North SPS and Forcemain Works respectively (Attachments 3 & 4) be withdrawn.

Analysis and Options

Block 55 Sanitary Pumping Station and Forcemain Works Proposed ASDC

On May 10, 2018, the City received a letter from Castlepoint Investments Inc. (Attachment 3), requesting that the proposed ASDC for the Block 55 Wastewater Pumping Station and Forcemain Works be withdrawn from the 2018 DC Background Study and By-laws update. Castlepoint Investments Inc. had originally requested that staff include the ASDC as a part of the 2018 DC update, but upon further review have determined that it may be unnecessary as they are able pursue reimbursement of the works from the benefitting lands in accordance with the provisions in Section 16.17 of the Block 55 East External Servicing Agreement, dated July 20, 2016. Staff have considered this request and recommend removing the proposed ASDC for Block 55 Sanitary Pumping Station & Forcemain Works at this time.

Pine Valley North SPS and Forcemain (Block 40) Proposed ASDC

On May 14, 2018, the City received a letter from The Municipal Infrastructure Group Ltd. (Attachment 4), the consultant representing the Pine Valley North SPS Landowners Group, requesting that the proposed ASDC for the works related to the Pine Valley North Sanitary Pumping Station and Forcemain be withdrawn from the 2018 DC Background Study and By-laws update. The Landowners Group had originally requested that staff include the ASDC as a part of the 2018 DC update, but upon further review have determined that it may be premature to pass an ASDC. The Landowners Group will continue to pursue reimbursement of the works in accordance with the provisions in Section 15.2.1 of the Pine Valley North Spine Services Agreement, dated May 15, 2017. They also stated their intention to revisit the ASDCs once the final as-constructed costs have been determined.

Staff have considered this request and recommend removing the proposed ASDC for Pine Valley North SPS and Forcemain (Block 40) at this time. Staff will have the opportunity to review the necessity of this ASDC again as part of the next DC Bylaws update, which is anticipated to occur in advance of the 5-year statutory requirement.



memorandum

Conclusion

It is recommended that the Block 55 Sanitary Pumping Station and Forcemain Works and Pine Valley North SPS and Forcemain (Block 40) ASDCs be removed from the Draft 2018 Development Charges Background Study and By-laws. The updates do not impact the proposed City-wide DC by-law or other ASDC by-laws.

Attachments

Attachment 1: City Wide Residential and Non-Residential Development Charges
Attachment 2-A: Area Specific Development Charges Based on Net Developable Hectare
Attachment 2-B: Area Specific Development Charges Based on Dwelling Unit and GFA
Attachment 3: Letter from Castlepoint Investments Inc., dated May 10, 2018
Attachment 4: Letter from The Municipal Infrastructure Group Ltd., dated May 14, 2018

Sincerely,

Laura Mirabella
Chief Financial Officer and City Treasurer

Copy to: Daniel Kostopoulos
City Manager

Stephen Collins
Deputy City Manager, Public Works

Jason Schmidt-Shoukri
Deputy City Manager, Planning and Growth Management

Mary Reali
Deputy City Manager, Community Services

Vince Musacchio
Director, Infrastructure Planning & Corporate Asset Management

Michael Toshakovski
Director, Legal Services

Rita Selvaggi
Interim Director, Financial Planning & Development Finance

Andrew Pearce
Director, Development Engineering

Attachment 1

City of Vaughan City Wide Development Charges¹
Effective from September 21, 2018

Residential Use Development Charges			
	Engineering Services²	General Services³	Total Per Unit Development Charge
Single & Semi-Detached Dwellings	\$31,536	\$17,769	\$49,305
Multiple Unit Dwellings	\$26,013	\$14,656	\$40,669
Large Apartments	\$19,233	\$10,836	\$30,069
Small Apartments	\$13,862	\$7,811	\$21,673
Non-Residential Use Development Charges⁴			
	Total Per Square Metre of GFA		
Non-Residential	\$143.92		

¹ All rates subject to normal indexing - rates shown are current as of May 23, 2018

² Engineering Services portion of Residential Development Charge paid at Subdivision Agreement execution

³ General Services portion of Residential Development Charge paid at Building Permit issuance

⁴ Total Non-Residential Development Charges paid at Building Permit issuance

Attachment 2-A

City of Vaughan Area Specific Development Charges¹
Based on Net Developable Hectare
(Effective from September 21, 2018)

Service	Reference Code	2018 Proposed Charge Per Hectare
Rainbow Creek Drainage Works	D-8	\$2,809
Pressure District 5 West Woodbridge Watermain	D-15	\$8,033
Pressure District 7 Watermain West	D-20	\$2,788
Highway 27 South Servicing Works	D-26	\$172,589
Zenway/Huntington Road Sanitary Sub-Trunk	D-25	\$11,213
Huntington Road Sanitary Sewer (Trade Valley to Rutherford)	D-27	\$8,805
VMC - Interchange SWM Pond Retrofit Works	D-30	\$718,253
Steeles West Sanitary Sewer Improvement Works	D-31	\$60,583
Steeles West SWM Works	D-32	\$944,982
Woodbridge Avenue Sanitary Sewer Improvements	D-33	\$12,357

¹ All rates subject to normal indexing – rates shown are current as of May 23, 2018

Attachment 2-B

City of Vaughan Area Specific Development Charges¹
Based on Dwelling Unit and GFA
(Effective from September 21, 2018)

Service	Reference Code	2018 Proposed Charge			
		Singles and Semis	Townhouses & Multiples	Large & Small Apartments	Per M ² Non-Residential GFA
VMC West - Interchange Sanitary Sewer Improvements	D-34	\$514	\$424	Lg - \$313 Sm - \$226	\$4.96
VMC SE Doughton Sanitary Sewer Improvements	D-35	\$765	\$631	Lg - \$467 Sm - \$336	\$7.39

¹ All rates subject to normal indexing – rates shown are current as of May 23, 2018

Attachment 3



May 10, 2018

Ms. Laura Mirabella, Chief Financial Officer & City Treasurer
And
Mr. Todd Coles, City Clerk

City of Vaughan
2141 Major Mackenzie Drive
Vaughan, Ontario
L6A 1T1

Re: City of Vaughan 2018 DC By-Law Review
Block 55 External Services Agreement File # BL55.2013
Block 55 Sanitary Pumping Station & Forcemain Works Proposed ASDC

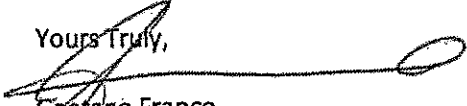
Dear Ms. Mirabella and Mr. Coles,

Further to my letter dated June 14, 2017 (copy attached) in which we were seeking the City to pursue implementation of either; a City-Wide Development Charge, or an Area Specific Development Charge as part of the 2018 City DC By-Law process. We have reviewed certain issues related to the implementation of this approach for reimbursement of the Block 55 sanitary pumping station and sanitary forcemain works, and therefore wish to request the City of Vaughan to remove the proposed area specific development charge identified as ASDC Charge D-29 as shown on Attachment 2 of the F.A.A committee report dated May 7, 2018 (excerpt attached) from the 2018 DC By-Law which has been scheduled for the May 23, 2018 Council meeting.

Based on this request to withdraw the ASDC D-29 for the Block 55 sanitary pumping station and forcemain works we would revert to and continue to pursue reimbursement of these works from the benefitting lands in accordance with the provisions of Section 16.17 of the Block 55 East External Servicing Agreement dated July 20, 2016 (excerpt attached).

Please feel free to contact me at (416) 728-4840 if there are any questions regarding this submission.

Yours Truly,


Gaetano Franco
Encl.

cc. Mr. Andrew Pearce, City of Vaughan
Mr. Michael Frieri, City of Vaughan



May 14th, 2018

Project 11118

City of Vaughan
2141 Major Mackenzie Drive
Vaughan, Ontario
L6A 1T1

**Attention: Ms. Laura Mirabella, Chief Financial Officer & City Treasurer
Mr. Todd Coles, City Clerk**

Subject: Response to Preliminary Comments
Pedestrian Bridges
O.Reg.166/06 – Block 40/47

Dear Ms. Mirabella and Mr. Coles,

Further to my letter dated September 29, 2017 (copy attached) in which we were seeking the City to pursue implementation of either; a City-Wide Development Charge, or an Area Specific Development Charge as part of the 2018 City DC By-Law process. We have reviewed certain issues related to the implementation of this project for the reimbursement of the Pine Valley North sanitary pumping station and sanitary forcemain works, and therefore wish to request the City of Vaughan to remove the proposed area specific development charge identified as ASDC Charges D-36-1, D-36-2, D-36-3, D-36-4, and D-36-5 as shown on Attachment 2 of the F.A.A committee report dated May 7, 2018 (excerpt attached) from the 2018 DC By-Law which has been scheduled for the May 23, 2018 Council meeting.

Based on this request to withdraw the ASDC Charges D-36-1, D-36-2, D-36-3, D-36-4, and D-36-5 for the Pine Valley North sanitary pumping station and forcemain works we intend on continuing to pursue reimbursement of these works from the benefitting lands in accordance with the provisions of Section 15.2.1 of the Pine Valley North Spine Services Agreement dated May 15, 2017 (excerpt attached). Once the final as-constructed costs have been determined we will contact the City to reinstate the process to enact the ASDC's for the benefitting lands.

Please feel free to contact me at (905) 738-5700 x.246 if there are any questions regarding this submission.

Yours truly,
The Municipal Infrastructure Group Ltd.

A handwritten signature in black ink, appearing to read "Derek Smith", written over a light blue horizontal line.

Derek Smith, P.Eng.
cc: Myron Pestaluky, Delta Urban