

CITY OF VAUGHAN

EXTRACT FROM COUNCIL MEETING MINUTES OF FEBRUARY 21, 2018

Item 15, Report No. 6, of the Committee of the Whole, which was adopted without amendment by the Council of the City of Vaughan on February 21, 2018.

15 REQUEST FROM SMARTCENTRES FOR MINISTER'S ZONING ORDER FOR RELOCATION OF LARGE FORMAT RETAIL STORE IN THE VAUGHAN METROPOLITAN CENTRE

The Committee of the Whole recommends approval of the recommendation contained in the following resolution of Mayor Maurizio Bevilacqua, dated February 6, 2018:

Member's Resolution

Submitted by Mayor Maurizio Bevilacqua

Whereas, Vaughan Council received a communication from SmartCentres on January 31, 2018 [ATTACHMENT 1] which advises Council that SmartCentres has formally requested from the Province a Minister's Zoning Order for the relocation of a large format retail store in the Vaughan Metropolitan Centre;

and Whereas, all levels of government have identified, through the planning policies and public infrastructure investments, that the Vaughan Metropolitan Centre ("VMC") will be the new downtown of the City of Vaughan;

and Whereas, The Province of Ontario through the Provincial Policy Statement and Growth Plan for the Greater Golden Horseshoe identifies 25 Urban Growth Centres ("Centres") as strategic focal points for growth and intensification in the Province;

and Whereas, The Vaughan Metropolitan Centre is unique amongst the 25-designated urban growth centres as it is the only Centre outside of Toronto that is served by a subway; has direct 400 series highway access; and it is not adjacent to existing low-density residential fabric which supports intensification, compact development and the effective utilization of public infrastructure;

and Whereas, Metrolinx as an agency of the Ontario government focused on developing and delivering improved regional transportation for the Greater Toronto and Hamilton Area has designated the VMC as an Anchor Mobility Hub in its Regional Transportation Plan; and that this designation is recommended to achieve a density of 200-400 people and jobs per hectare;

and Whereas, mobility hubs are ideal locations to develop transit supportive residential and employment densities and should evolve as vibrant places of activity and major regional destinations;

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and Whereas, public infrastructure projects connecting to the heart of the VMC.; including the \$4.2 billion TTC line 1 subway extension, the \$32.1 million SmartCentres Place Bus Terminal, the York Viva bus rapid transit expansion along Highway 7, and the TTC Plaza/Transit Square, makes the VMC readily available to accommodate transit-oriented development that will support the planned growth and employment growth which sets out minimum targets of 25,000 new residents and 11,000 jobs by 2031;

and Whereas, despite excellent transit access provided by the Provincial and Regional transit investment, the highway 400 interchange and highway 7 are over capacity and the economic success of the VMC urban centre is contingent on the effective movement of people and goods. This therefore requires the timely expansion of the local road capacity; including the VMC finer grid street network which is largely accommodated on the lands that will be developed by SmartCentres;

and Whereas, an existing large format retail store located in the VMC is less than 100 metres from the recently completed transit infrastructure has a long-term land lease which will impede the logical and orderly development vision of uses planned by the City for further intensification as contemplated by the VMC Secondary plan of this parcel (the "VMC Parcel") resulting in a significant underutilization of the public infrastructure investments referred to above;

and Whereas, there is a property owned by the applicant outside the VMC that is designated as Employment Area in the Vaughan Official Plan 2010 located at the northwest corner of Applewood Crescent and Portage Parkway (the "Applewood Parcel") which would be used to facilitate the relocation of the existing large format retail store in a smaller scale as this is the only site option acceptable to the large format retail tenant;

and Whereas, The York Region Official Plan and Vaughan Official Plan 2010 contain policies which prohibit major retail uses, from locating on lands designated for employment, except through a Municipal Comprehensive Review process;

and Whereas, The Municipal Comprehensive Review process undertaken by the Regional Municipality of York has recently been reinitiated and is in its initial stages with a goal of being completed in approximately two to three years;

and Whereas, to continue the momentum of development of the VMC as a compact, vibrant Downtown area an alternative process to a Municipal Comprehensive Review that would allow for the timely relocation of the large format retail store to the Applewood Parcel and facilitate the relocation of major office that is located on the Applewood parcel into the VMC is required;

and Whereas, in concert with the planning process associated with the relocation of the large format retail store, the land owner will execute a development agreement

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committed to facilitate and assume all costs associated with the advanced design, construction and delivery of several other major transportation infrastructure projects that will assist in accelerating further economic growth and use of the transit infrastructure in the VMC [ATTACHMENT 2]. This includes; the extension of Applewood Crescent from Highway 7 to Portage Parkway, Commerce Street from Highway 7 to Apple Mill Road , Apple Mill Road from Edgeley Blvd. to Applewood Crescent and Buttermill Avenue from Apple Mill Road to Portage Parkway and the widening of Portage Parkway.

and Whereas, That the Minister of Municipal Affairs and Housing has the power to enact and impose a Zoning Order on any land in Ontario, in accordance with Section 47 of the Planning Act and the success of the VMC is of significant importance to City of Vaughan, the Regional Municipality of York and the Province of Ontario;

It is therefore recommended:

- 1. THAT the necessary by-law be enacted authorizing the Mayor and Clerk to execute a development agreement and any other necessary agreements with SmartCentres or Penguin -Calloway (Vaughan) Inc, satisfactory to the City of Vaughan that commits SmartCentres to facilitate and assume all costs associated with the planning, construction and delivery of the extension of Applewood Crescent from Highway 7 to Portage Parkway, Commerce Street from Highway 7 to Apple Mill Road, Apple Mill Road from Edgeley Blvd. to Applewood Crescent and Buttermill Avenue from Apple Mill Road to Portage Parkway and the widening of Portage Parkway from Jane Street to Highway 400; all to be completed no later than December 2021;**
- 2. THAT Council has no objection to the Minister of Municipal Affairs and Housing to issue a Minister's Zoning Order, conditional on SmartCentres entering a fully secured development agreement to deliver the road improvements by 2021, for the zoning to be in place to allow the relocation of the large format retail store from the VMC Parcel (as shown below) to the Applewood Parcel located at the northwest corner of Applewood Crescent and Portage Parkway;**
- 3. THAT a copy of this resolution be forwarded to the Regional Municipality of York and the Minister of Municipal Affairs and Housing as a statement of Council's direction and requests; and**
- 4. THAT Council ratify the action taken.**

(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.)



MEMBER'S RESOLUTION

Meeting/Date: COMMITTEE OF THE WHOLE – February 6, 2018

Title: REQUEST FROM SMARTCENTRES FOR MINISTER'S ZONING ORDER
FOR RELOCATION OF LARGE FORMAT RETAIL STORE IN THE
VAUGHAN METROPOLITAN CENTRE

Submitted by: Mayor Maurizio Bevilacqua

Whereas, Vaughan Council received a communication from SmartCentres on January 31, 2018 [ATTACHMENT 1] which advises Council that SmartCentres has formally requested from the Province a Minister's Zoning Order for the relocation of a large format retail store in the Vaughan Metropolitan Centre;

and Whereas, all levels of government have identified, through the planning policies and public infrastructure investments, that the Vaughan Metropolitan Centre ('VMC') will be the new downtown of the City of Vaughan;

and Whereas, The Province of Ontario through the Provincial Policy Statement and Growth Plan for the Greater Golden Horseshoe identifies 25 Urban Growth Centres ('Centres') as strategic focal points for growth and intensification in the Province;

and Whereas, The Vaughan Metropolitan Centre is unique amongst the 25-designated urban growth centres as it is the only Centre outside of Toronto that is served by a subway; has direct 400 series highway access; and it is not adjacent to existing low-density residential fabric which supports intensification, compact development and the effective utilization of public infrastructure;

and Whereas, Metrolinx as an agency of the Ontario government focused on developing and delivering improved regional transportation for the Greater Toronto and Hamilton Area has designated the VMC as an Anchor Mobility Hub in its Regional Transportation Plan; and that this designation is recommended to achieve a density of 200-400 people and jobs per hectare;

and Whereas, mobility hubs are ideal locations to develop transit supportive residential and employment densities and should evolve as vibrant places of activity and major regional destinations;

and Whereas, public infrastructure projects connecting to the heart of the VMC.; including the \$4.2 billion TTC line 1 subway extension, the \$32.1 million SmartCentres Place Bus Terminal, the York Viva bus rapid transit expansion along Highway 7, and the TTC Plaza/Transit Square, makes the VMC readily available to accommodate transit-oriented development that will support the planned growth and employment growth which sets out minimum targets of 25,000 new residents and 11,000 jobs by 2031;

and Whereas, despite excellent transit access provided by the Provincial and Regional transit investment, the highway 400 interchange and highway 7 are over capacity and the economic success of the VMC urban centre is contingent on the effective movement of people and goods. This therefore requires the timely expansion of the local road capacity; including the VMC finer grid street network which is largely accommodated on the lands that will be developed by SmartCentres.

and Whereas, an existing large format retail store located in the VMC is less than 100 metres from the recently completed transit infrastructure has a long-term land lease which will impede the logical and orderly development vision of uses planned by the City for further intensification as contemplated by the VMC Secondary plan of this parcel (the "VMC Parcel") resulting in a significant underutilization of the public infrastructure investments referred to above;

and Whereas, there is a property owned by the applicant outside the VMC that is designated as Employment Area in the Vaughan Official Plan 2010 located at the northwest corner of Applewood Crescent and Portage Parkway (the "Applewood Parcel ") which would be used to facilitate the relocation of the existing large format retail store in a smaller scale as this is the only site option acceptable to the large format retail tenant;

and Whereas, The York Region Official Plan and Vaughan Official Plan 2010 contain policies which prohibit major retail uses, from locating on lands designated for employment, except through a Municipal Comprehensive Review process;

and Whereas, The Municipal Comprehensive Review process undertaken by the Regional Municipality of York has recently been reinitiated and is in its initial stages with a goal of being completed in approximately two to three years;

and Whereas, to continue the momentum of development of the VMC as a compact, vibrant Downtown area an alternative process to a Municipal Comprehensive Review that would allow for the timely relocation of the large format retail store to the Applewood Parcel and facilitate the relocation of major office that is located on the Applewood parcel into the VMC is required;

and Whereas, in concert with the planning process associated with the relocation of the large format retail store, the land owner will execute a development agreement committed to facilitate and assume all costs associated with the advanced design, construction and delivery of several other major transportation infrastructure projects that will assist in accelerating further economic growth and use of the transit infrastructure in the VMC [ATTACHMENT 2]. This includes; the extension of Applewood Crescent from Highway 7 to Portage Parkway, Commerce Street from Highway 7 to Apple Mill Road , Apple Mill Road from Edgeley Blvd. to Applewood Crescent and Buttermill Avenue from Apple Mill Road to Portage Parkway and the widening of Portage Parkway.

and Whereas, That the Minister of Municipal Affairs and Housing has the power to enact and impose a Zoning Order on any land in Ontario, in accordance with Section 47 of the Planning Act and the success of the VMC is of significant importance to City of Vaughan, the Regional Municipality of York and the Province of Ontario;

It is therefore recommended:

1. **THAT the necessary by-law be enacted authorizing the Mayor and Clerk to execute a development agreement and any other necessary agreements with SmartCentres or Penguin -Calloway (Vaughan) Inc, satisfactory to the City of Vaughan that commits SmartCentres to facilitate and assume all costs associated with the planning, construction and delivery of the extension of Applewood Crescent from Highway 7 to Portage Parkway, Commerce Street from Highway 7 to Apple Mill Road, Apple Mill Road from Edgeley Blvd. to Applewood Crescent and Buttermill Avenue from Apple Mill Road to Portage Parkway and the widening of Portage Parkway from Jane Street to Highway 400; all to be completed no later than December 2021;**
2. **THAT Council has no objection to the Minister of Municipal Affairs and Housing to issue a Minister's Zoning Order, conditional on SmartCentres entering a fully secured development agreement to deliver the road improvements by 2021, for the zoning to be in place to allow the relocation of the large format retail store from the VMC Parcel (as shown below) to the Applewood Parcel located at the northwest corner of Applewood Crescent and Portage Parkway;**

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| <ol style="list-style-type: none">3. THAT a copy of this resolution be forwarded to the Regional Municipality of York and the Minister of Municipal Affairs and Housing as a statement of Council's direction and requests; and4. THAT Council ratify the action taken. |
| |

Respectfully submitted,

Mayor Maurizio Bevilacqua, P.C.

Attachments

1. Letter to Mayor and Council, dated January 31, 2018
2. VMC Walmart Map



700 APPLEWOOD CRES. | VAUGHAN, ON. CANADA L4K 5X3
T 905 326 6400 F 905 326 0783

January 31, 2018

Mayor Maurizio Bevilacqua and Council
City of Vaughan
City Hall
2141 Major Mackenzie Drive
Vaughan, ON L6A 1T1

Dear Mayor and Council:

As you are aware, for the past decade, SmartCentres has worked collaboratively with Council and staff to help realize the vision of the Vaughan Metropolitan Centre. We have been honoured to play a part in developing Vaughan's new downtown and we have worked very hard to meet and hopefully even exceed your expectations. To date we have taken the approach of designing and building to a very high standard to set the tone for a new world class city centre. The KPMG Tower was the recipient of the 2016 NAOIP Rex Awards for the best office development in Toronto and the Region and the City of Vaughan 2017 Award of Excellence. We hope that the PwC-YMCA-City of Vaughan Library mixed use building scheduled to open next year is recognized in a similar fashion. We have implemented substantial public realm improvements including upgrades to roads, the Transit Square and the pedestrian tunnel connection of the YRRT Bus Terminal to the subway station. We will also be designing and constructing a world class nine-acre central park that will be the defining feature of the Vaughan Metropolitan Centre.

Since its inception, there has been concerns around the implications of our existing retail anchor tenant, at it relates to our ability to achieve the vision of Vaughan's new downtown. Throughout this ten years we have communicated with our anchor tenant the VMC plan and our desire to relocate its store. The anchor tenant is well within its rights to operate this single-story retail store with its (at grade surface) parking lot. They have and continue to be an outstanding corporate citizen and provide an important retail service to the area. Over the years, however, we have anticipated that this store may not be completely compatible with our respective vision for the new Vaughan downtown particularly in the subway precinct as the store was built and designed long before the VMC vision was established. It is therefore our highest priority to find a mutually acceptable scenario to relocate this successful, operating business; a priority whose time has come more quickly than ever anticipated given the rate of change in the VMC and the subway precinct. (This anchor tenant has the legal right to operate in its current location for a long time

under its lease along with other certain rights which control types of developments around its parcel of land.)

In order to design and build a vibrant city centre in a comprehensive way, with all the necessary pedestrian connectivity, open green spaces, building relationships, active streetscapes, human scale interfaces and other public amenities that make up the ingredients to all the world's great city centres, we believe it is imperative that we are able to relocate the anchor tenant outside of the current Vaughan Metropolitan Centre as soon as possible, but in a way that is also respectful to the anchor tenant. Only through this mutual effort will we be able to realize the vision of Vaughan's new downtown, as outlined in the Secondary Plan.

It is at this moment and for the first time in 10 years, the numerous variables have needed to align and have aligned to facilitate the relocation of this anchor tenant on terms and conditions agreeable to all the various parties involved and effected. We have an understanding with our anchor tenant to relocate but we need your support to facilitate this relocation in an abbreviated timeframe to accommodate all the variables and the impacted parties so as not to miss this opportunity. The new location is our SmartCentres headquarters at 700 Applewood Crescent at Applewood and Highway 400. We would move our SmartCentres offices into a current vacancy at Millway Avenue and Highway 7, demolish our current office building and the adjacent building and build the tenant a new, much smaller retail store. (The current store would shrink from 200,000 sq. ft. to approximately 140,000 sq. ft.). The challenge is that the subject lands of the relocated store are zoned employment which will not permit this retail use. However, we feel in this unique situation, this use on these lands is appropriate. As with all of our work to date in the VMC,, we would work with the City and the Region, through the Municipal Comprehensive Review process, to secure the required zoning. This process could be in excess of three years. Given the order of magnitude difference between the anchor tenant being relocated in the next two years and with certainty versus missing this opportunity and potentially operating to the end of its term (79 years) this is not a normal situation where a lengthier process may otherwise apply. We believe this situation warrants a joint effort to ensure a quicker approval and certainty while this opportunity is available to us, which will clear the path to the fulfillment of the VMC vision and further maximize the \$4 Billion investment in transit infrastructure in this Urban Growth Node.

For these reasons, we have approached the Province about a Minister's Zoning Order (MZO) which will allow us to proceed in an expeditious timeframe. The Province requires an indication from the City and the Region that the MZO, in this unique situation, is desirable due to all its benefits.

We have never requested a MZO from any municipality or the Province in any of our applications throughout the Province as we understand that a MZO is only used for extraordinary circumstances. Without the expeditious relocation of the anchor tenant, there are no assurances that we will be able to do so in the future.

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We have never requested a MZO from any municipality or the Province in any of our applications throughout the Province as we understand that a MZO is only used for extraordinary circumstances. Without the expeditious relocation of the anchor tenant, there are no assurances that we will be able to do so in the future.

In addition, the expeditious relocation of the anchor tenant will allow us to attract more business to the VMC in a shorter time which means Vaughan's new downtown and the Province's Urban Growth Node along with its multi-billion-dollar transit investment, may be realized even more quickly. Hence, there exists many material economic benefits to the City and the Region to the expeditious relocation of the anchor tenant.

We have heard concerns from you and the Region about traffic congestion on Highway 7 and the possible negative impact on productivity for businesses and individuals in the area. In conjunction with the positive impacts of the anchor tenant relocation, we will advance the design and construction of the major arterial roads within our 100 acres which should contribute to improving the traffic situation.

Specifically, we will design and build the extension of Applewood Crescent from Highway 7 to Portage Parkway, Commerce Street from Highway 7 to Apple Mill Road. Apple Mill Road from Edgeley Blvd. to Applewood Crescent and Buttermilk Avenue from Apple Mill Road to Portage Parkway. We will also design and construct the widening of Portage Parkway on behalf of the City, if requested.

We believe improving traffic flow on Highway 7 and environs will also facilitate increase economic development activity as well within the VMC.

We stand committed to doing our best work in the VMC. We will continue to work collaboratively with you and staff and all the agencies to ensure our part of the new downtown is an example of world-class city planning and building.

Thank you very much for your consideration.

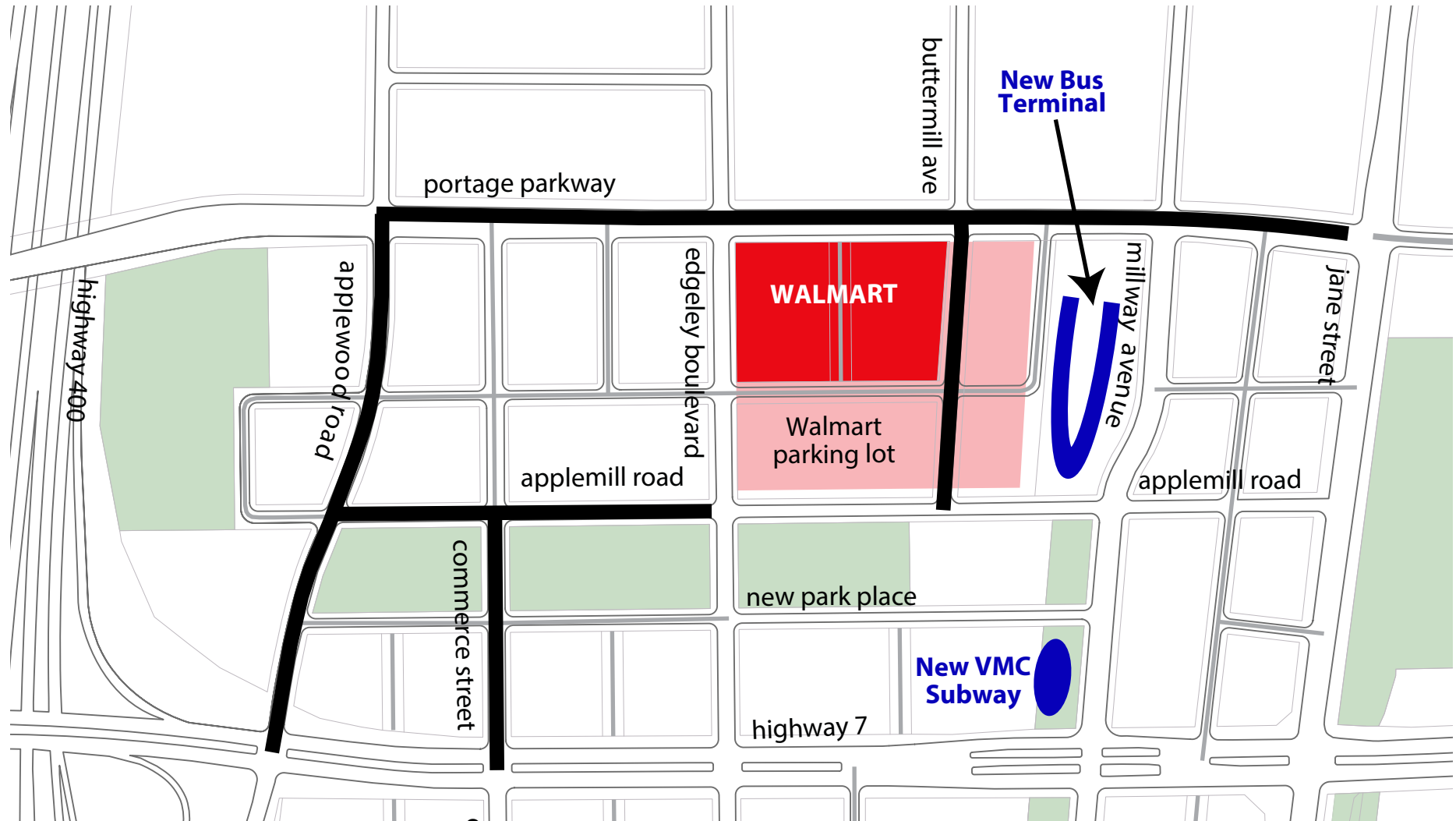
Your sincerely,






Mitchell Goldhar
Chairman
SmartCentres

c.c. Daniel Kostopoulos

Attachment 2



LEGEND

-  Subject road segments
-  Proposed roads
-  Existing roads

