

Black Creek Financial Strategy and Development Charge Background Study

Finance, Audit and Administration Committee

April 4, 2016

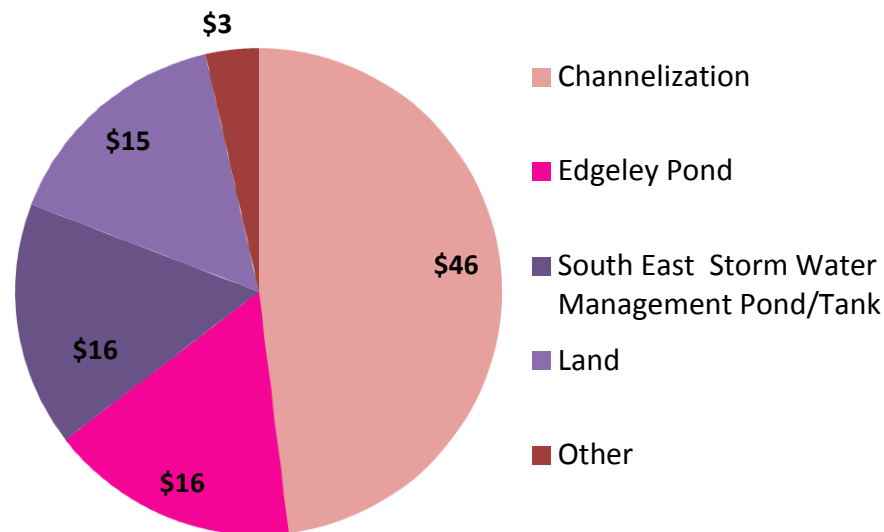


Presentation Overview

- Executive Summary
- Overview of Infrastructure
- Overview of Cost
- Overview of Funding Source Allocation
- Conclusion
- Next Steps

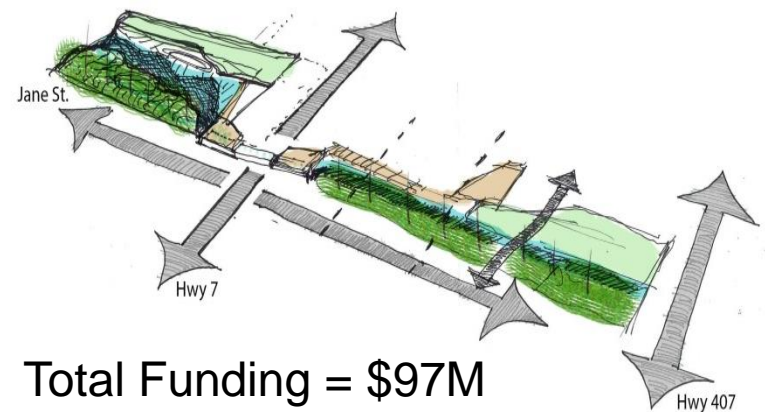
Executive Summary

Total Cost = \$97M

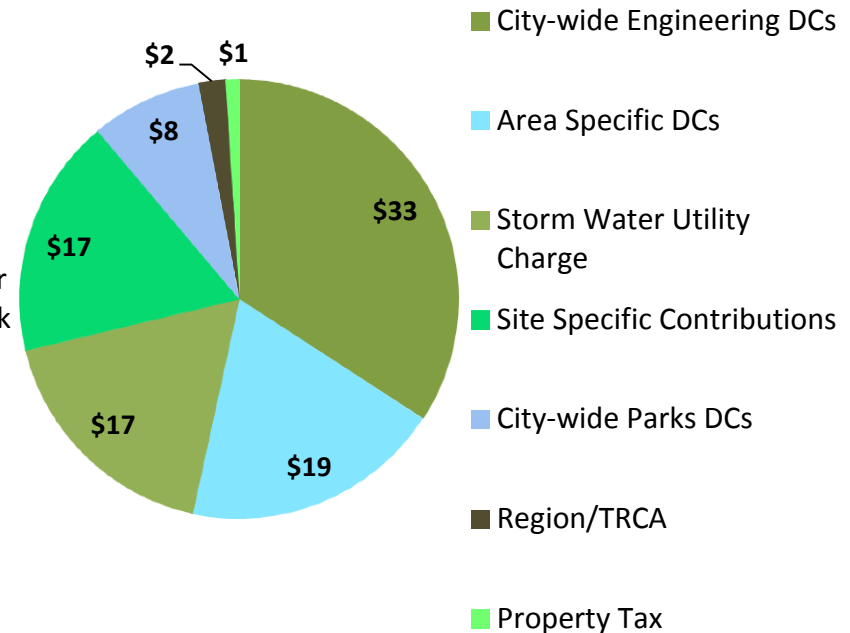


* Costs shown in millions

How much will it **cost**?



Total Funding = \$97M



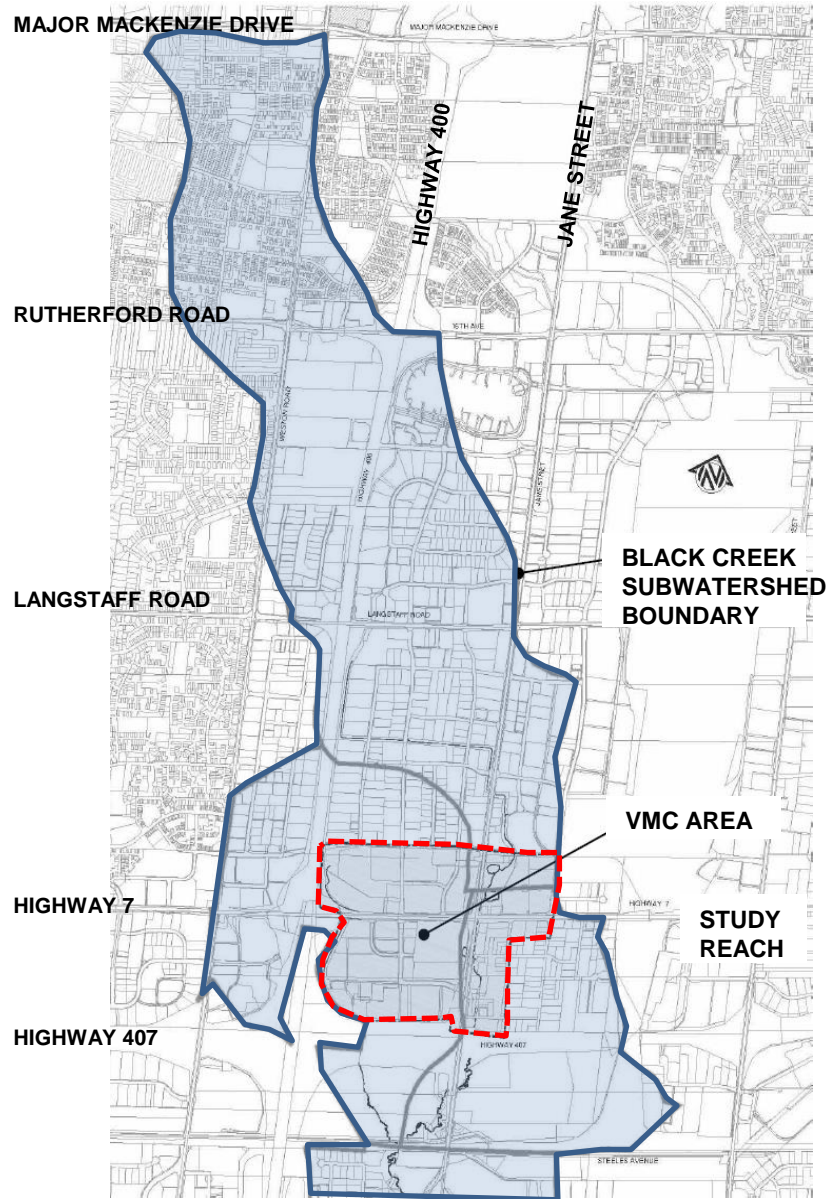
How will we **fund** it?

Executive Summary

Why **invest** now?

- Flooding risk is too great to ignore
- Unlocks the development on the east side of the VMC
- The Black Creek Corridor is identified to be one of the VMC's key neighbourhood districts
- Enhanced safety
- Future unpredictable infrastructure costs
- Urban form needs green open space for residents
- Jane Street and Regional Road 7 are major gateways
- Insures the considerable investment in transit made by the Regional, Provincial and Federal Governments

Overview of Infrastructure

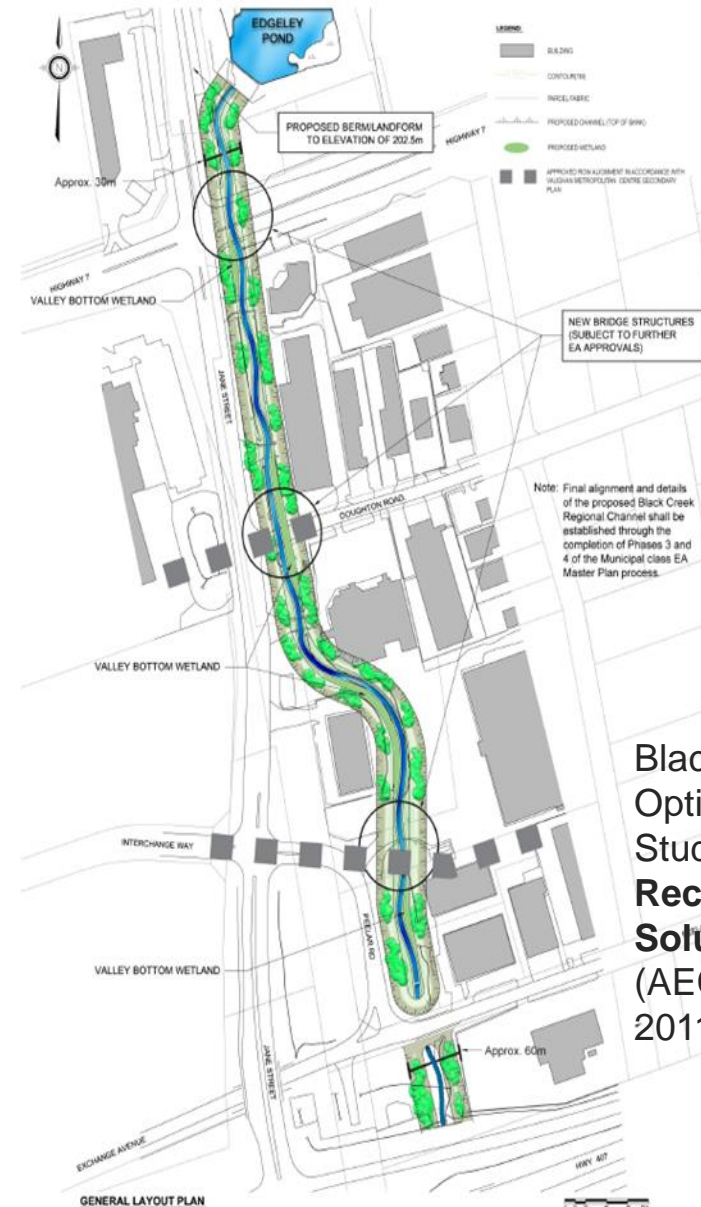


Black Creek
Watershed Context



August 2005 Storm - Flooding near Jane Street and Highway 7

Black Creek Work History



Black Creek Optimization Study
Recommended Solution
(AECOM, May 2011)

Black Creek Renewal: Updated Ultimate Concept



Black Creek Renewal
EA (July 2012 →
Present)

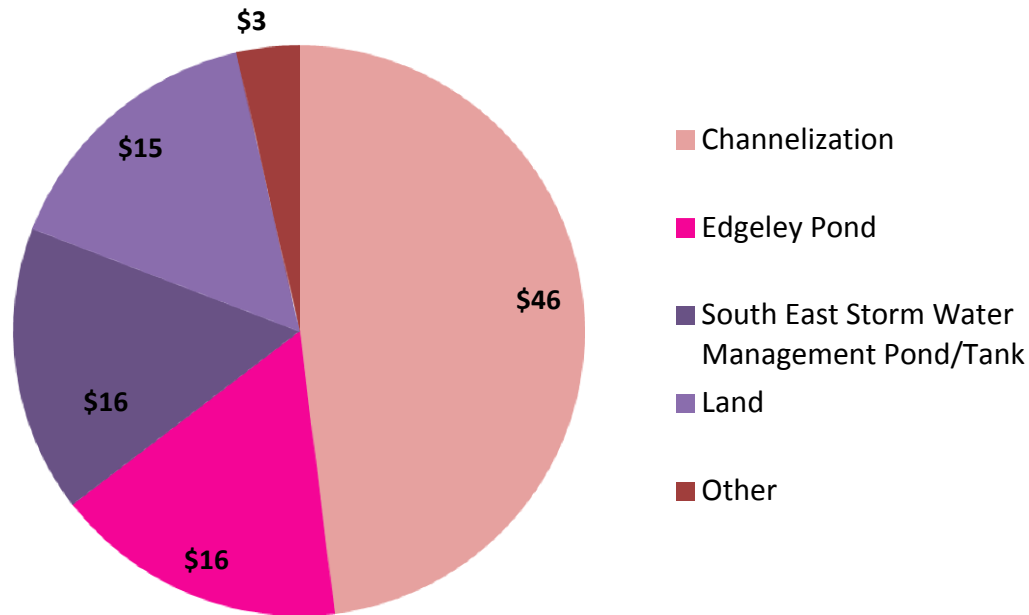
Black Creek
Facilitation Process
June 2013 – May
2014

Channel & Edgeley
Pond Concept & Costs
(Jul 2014 → Feb 2015)

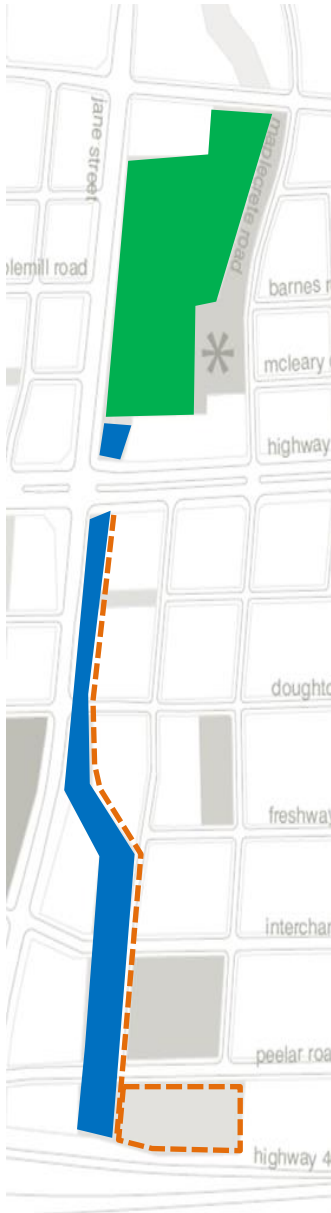


Overview of Cost

How much will it **cost**?



Total Cost = \$97M



EDGELEY POND

**BLACK CREEK RENEWAL
(CHANNELIZATION)**

**SOUTHEAST QUADRANT
STORM WATER MANAGEMENT**

OTHER (PUBLIC ART / STUDIES)

LAND

Edgeley Pond: Total Improvements



Component	Totals (M)
B1 Base Design Components	\$9.0
B2 Enhanced Design Components	\$7.0
EDGELEY POND IMPROVEMENTS TOTAL	\$16.0

Black Creek Renewal: Total Improvements

Component	Totals (M)
A1 Realignment, Earthworks, Restoration	\$11.5
A2 Structures	\$14.5
A3 Bank Treatments, Urban Design, Landscape	\$20.3
BLACK CREEK IMPROVEMENTS TOTAL	\$46.3

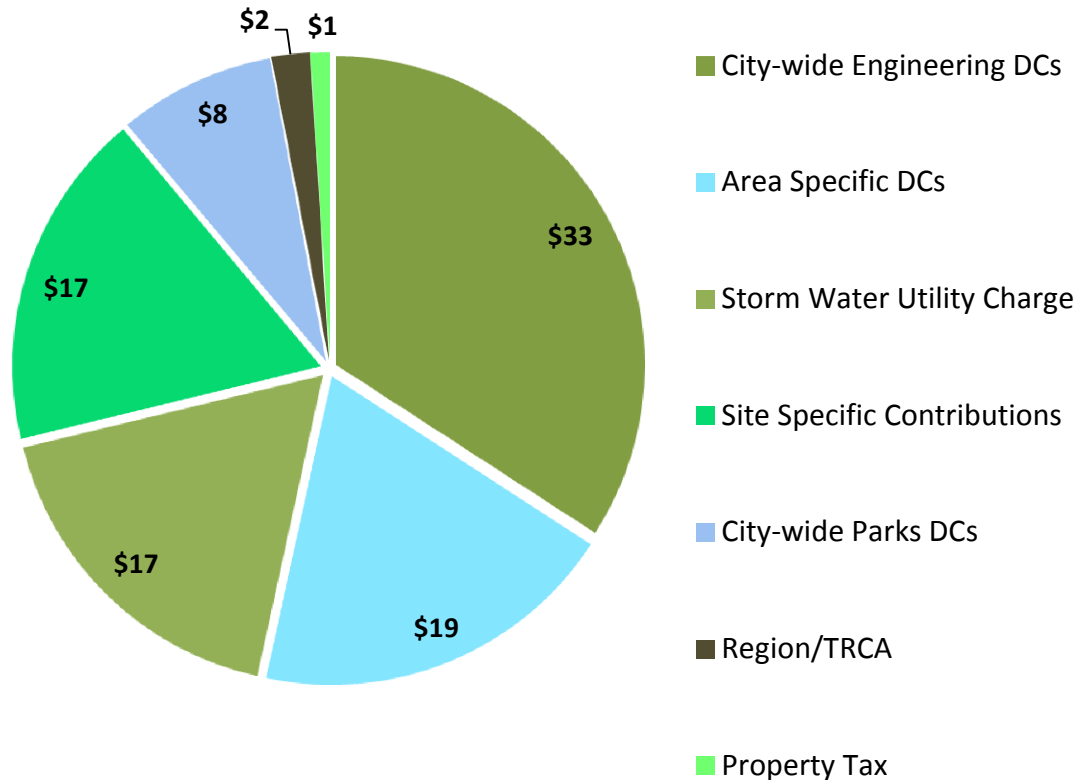
Other Costs

Component	Totals (M)
SWM Pond/Tank for Southeast Quadrant of VMC	\$15.7
Land	\$15.1
Public Art	\$0.7
Studies	\$0.3
SUBTOTAL	\$31.8



Overview of Funding Source Allocation

How will we fund it?

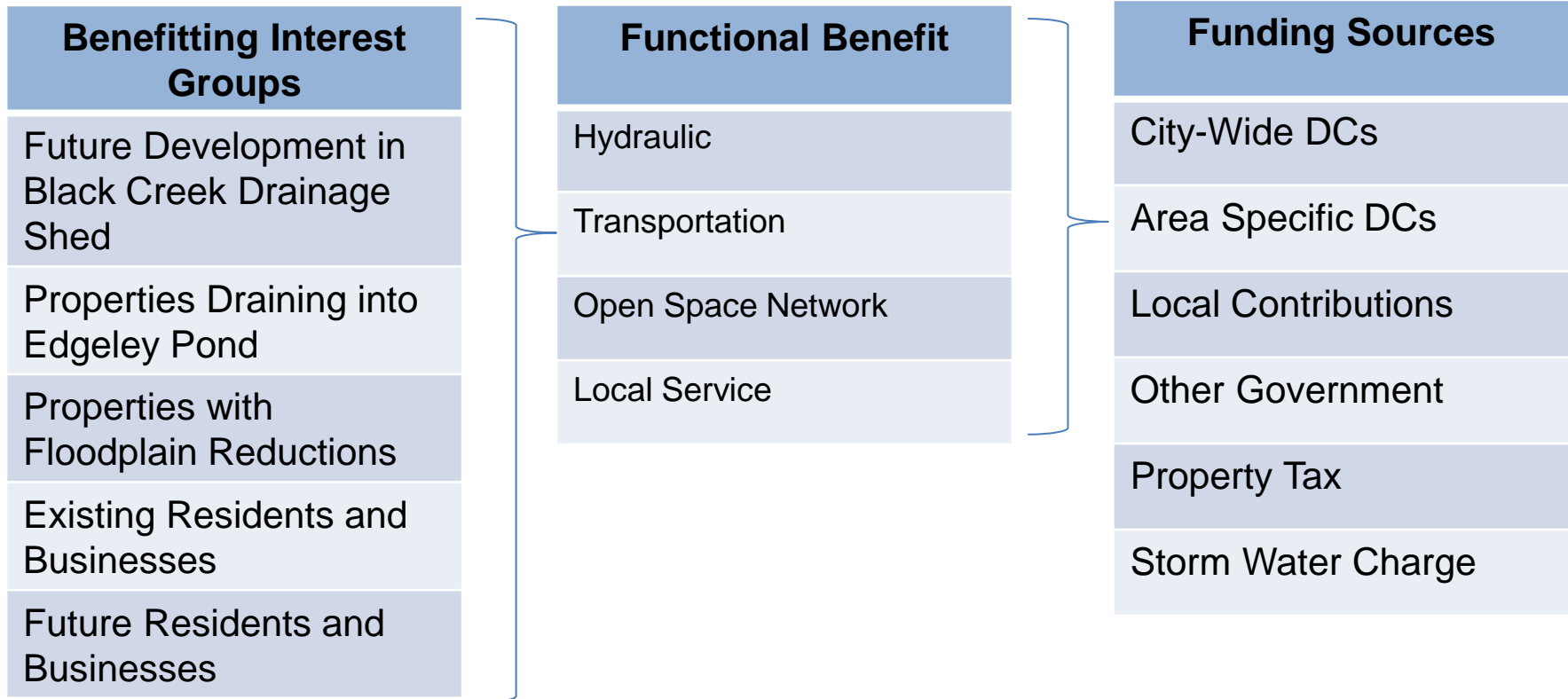


Total Funding = \$97M

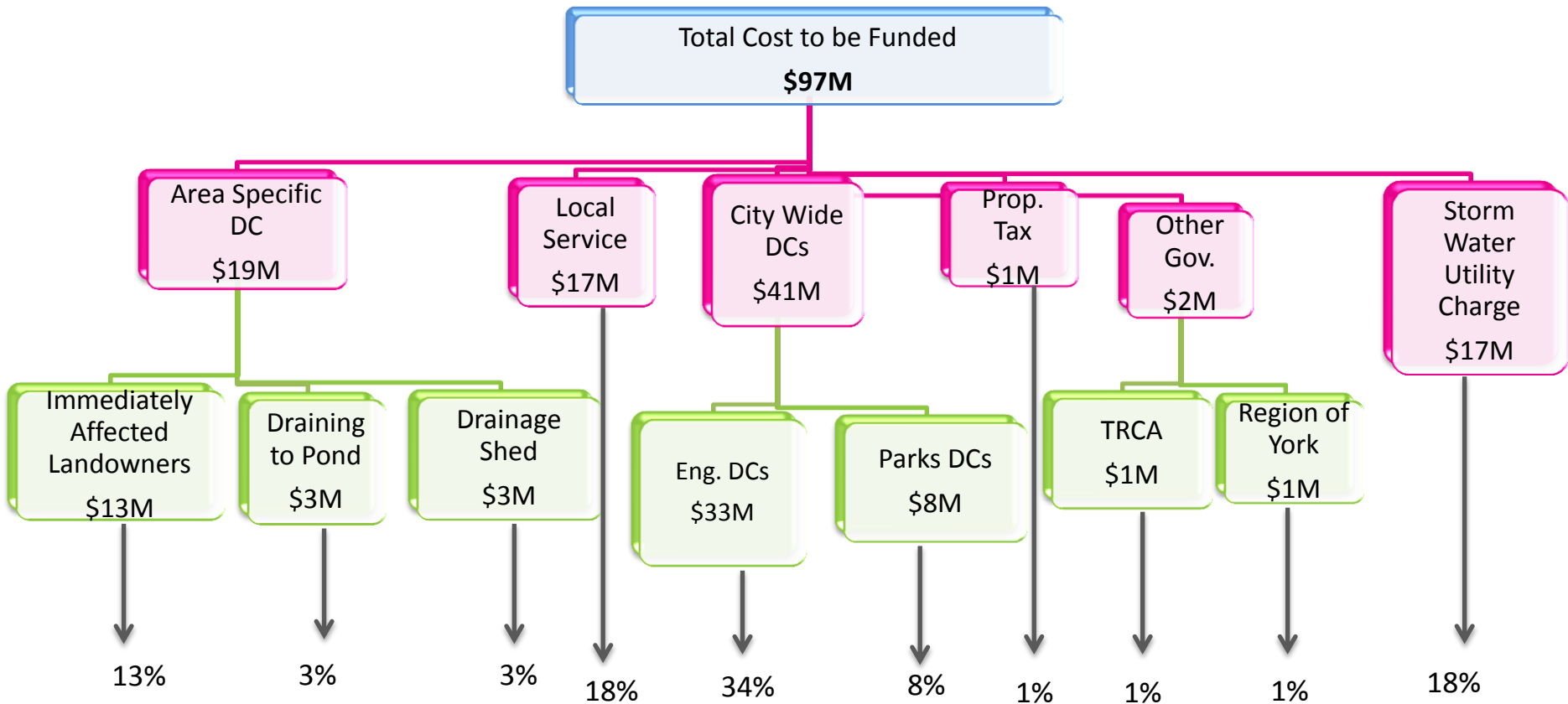
Approach to Strategy

- Based on the urban nature, timing of infrastructure, varying timing of development and multitude of stakeholders, a unique approach was required
- The approach required a considerable balancing of equities between numerous stakeholders
- January 2015, City retained Fabian Papa and Hemson to prepare a cost allocation methodology.

Methodology



Funding Sources Summary



**Dollars are rounded to the nearest million*

Calculation of Development Charge

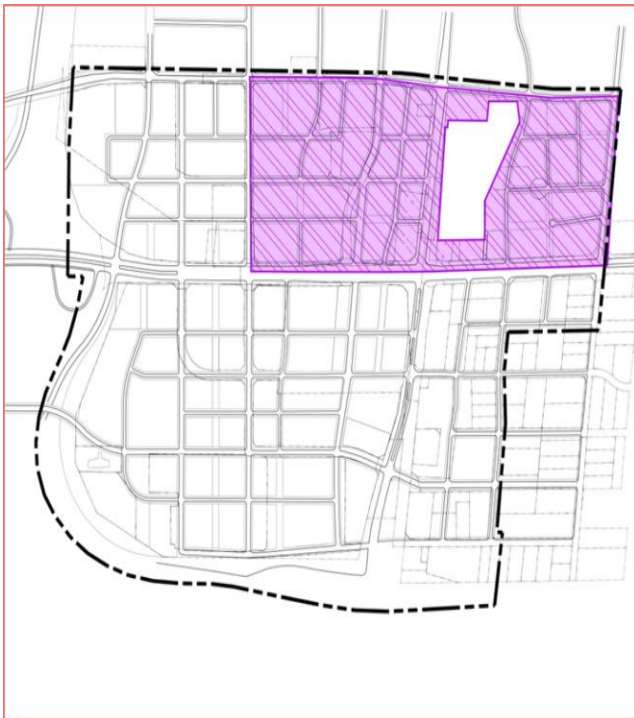
2012-2041 Time Horizon

- The infrastructure will be phased and is expected to take up to 25 years to build in parallel with development
- Project timing is weighted to front end of period
- The City will incur some debt at the beginning of the project, but is expected to fully recover the costs within a 25 year period

Benefitting Areas in the ASDC By-Law

Undeveloped Lands in The Black Creek Drainage Shed

Vaughan Metropolitan Centre Draining to Edgeley Pond



33.55 Ha



161.12 Ha

Immediately Affected Landowners



5.47 Ha

Draft Black Creek ASDC Rates

Current Analysis	Black Creek Floodplain Reductions - Immediately Affected Landowners	Vaughan Metropolitan Centre (VMC) Areas Draining to Edgeley Pond	Undeveloped Lands in Black Creek Drainage Shed
Costs	\$13,024,387	\$2,612,884	\$2,978,137
Hectares	5.47	33.55	161.12
ASDC per hectare*	\$2,514,568	\$83,452	\$22,581

* Adjusted charge after cash flow

Conclusion

The Black Creek works are essential to the growth in the City, in particular the VMC, by:

- Addressing the flood risk at the intersection of Jane Street and Highway 7
- Unlocking the development potential in the VMC
- Addressing immediate market demand
- Providing recreational opportunities and urban experiences through the integration of parks and open spaces.
- Adhering to environmental and safety standards
- Meeting Provincial and Regional growth and intensification targets
- Establishing a sustainable financial strategy for the works

Next Steps

- Public Statutory Meeting May 2, 2016
- Approval of Strategy and ASDC Background Study May 30, 2016
- Enactment of ASDC By-Law June 7, 2016
- Effective Date of By-Law July 1, 2016

Questions?