

## **CITY OF VAUGHAN**

### **EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 30, 2018**

Item 1, Report No. 1, of the Finance, Administration and Audit Committee, which was adopted without amendment by the Council of the City of Vaughan on January 30, 2018.

#### **1                      2018 STORMWATER CHARGE**

**The Finance, Administration and Audit Committee recommends:**

- 1)      That the recommendation contained in the following report of the Deputy City Manager, Public Works and the Chief Financial Officer and City Treasurer, dated January 22, 2018, be approved;**
- 2)      That the deputation of Mr. Riccardo Bozzo, Highway 27, Kleinburg, be received; and**
- 3)      That Communication C1, presentation material entitled, *“2018 Stormwater Charge”*, be received.**

#### **Purpose**

To respond to the motion at the Finance, Administration and Audit Committee on November 6, 2017, that staff review the application of the stormwater charge as implemented for commercial and agricultural properties in rural areas and bring forward recommendations for refinements as part of the 2018 Budget process, including the necessary off-setting adjustments to other property categories.

#### **Recommendations**

- 1.      That as a part of the 2018 Budget process Council approve the refinements to the Stormwater charge for the seven property types and inclusion of an eighth category: “Non-residential (large) rural”;**
- 2.      That “Non-residential (large) rural” properties be those located outside the urban boundary as defined in the Vaughan Official Plan;**
- 3.      That any adjustments made be completed during the budget planning process and incorporated into the proposed stormwater charge for the forthcoming budget year;**
- 4.      That this report be referred to Special Council Meeting on January 30, 2018.**



## CITY OF VAUGHAN

### **EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 30, 2018**

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#### **Report Highlights**

- Council directed staff to report back with a review of the large commercial property category and agricultural property category in rural areas.
- The method for estimating stormwater run-off will continue to be derived from the City's engineering design run-off coefficient
- A new property category for non-residential (large) properties which fall outside the urban boundary be defined

#### **Background**

**The 2017 budget included a new stormwater charge to fund a comprehensive stormwater program which would help mitigate the effects of climate change**

The stormwater charge is applied to properties based on the estimated amount of stormwater run-off. The stormwater run-off coefficient is a number used in the City's Engineering Design Standards which developers must use to manage stormwater when planning a community. City staff determined that using the stormwater run-off coefficient was the most equitable factor for determining the charge as the engineering design standards are used consistently across the City.

A communication plan was implemented prior to and during the implementation of the stormwater charge on the water and wastewater bill. The stormwater charge was applied to 85,652 properties over a 12-week period beginning June 2017. The stormwater charge was successfully implemented as only 36 property owners asked for a formal review of the stormwater charge.

**Council directed staff to further refine the stormwater charge for commercial and agricultural properties in rural areas**

Nearly all of the 36 formal reviews were large commercial (7) and agricultural (25) properties in rural areas, Council asked staff to look for further refinements to the stormwater charge. Council was aware that any refinements would include a necessary change in the stormwater charge for the other property categories.

#### **Previous Reports/Authority**

[Stormwater charge in Rural Areas and feedback from Stormwater Charge Implementation](#), Finance, Administration and Audit Committee, Nov 6, 2017.

[Stormwater Infrastructure Funding Study – City Wide](#), Finance, Administration and Audit Committee, Feb 29, 2016.

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### **EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 30, 2018**

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#### **Analysis and Options**

**Refining the stormwater charge for commercial and agricultural properties in rural areas included using the urban boundary and referring to the recently updated Engineering Design Standards.**

The Vaughan Official Plan urban boundary was used to identify rural commercial properties and agricultural properties. Eleven large commercial properties were identified outside of the urban boundary.

Staff also updated the Stormwater classification charges based on changed run-off coefficients contained in the recently updated Engineering Design Standards as some were updated and, therefore, different from the run-off coefficients used in the Stormwater Infrastructure Funding Study which developed the original stormwater charge.

**A new property category for large (more than 10 acres) commercial properties was developed using a smaller stormwater run-off coefficient**

Creating a new category of *Non-Residential (Large) - Rural* using a runoff coefficient of 0.45 (as opposed to 0.9 for large non-residential) would address those properties assessed as commercial, but lay outside the urban boundary. This run-off coefficient was considered appropriate given that rural areas are not connected by stormwater piping and the level of service differs from similar sized properties in urban settings.

**The run-off coefficient for agricultural properties remains the same as the one used in the 2017 budget as this coefficient had already been lowered by staff in the original stormwater infrastructure funding study**

In the original stormwater infrastructure funding study it was determined that the run-off coefficient in the engineering design standards should be lowered from 0.25 to 0.1 as there was a recognition that the stormwater service received by these properties was not the same as those in urban areas.

In the review completed at the request of the Finance, Administration and Audit (FAA) Committee on November 6, 2017, staff did not update the run-off coefficient of the agricultural properties as staff have determined that 0.1 is an appropriate run-off coefficient to use for agricultural properties.

#### **Financial Impact**

As discussed in the report on November 6, 2017 at the FAA Committee, staff had consolidated the city's properties into 7 property categories and used the stormwater run-off coefficients for these property categories to develop the stormwater charge used



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### **EXTRACT FROM COUNCIL MEETING MINUTES OF JANUARY 30, 2018**

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in the 2017 Budget. As requested in a motion by FAA Committee, staff were asked to review the application of the stormwater charge for the large commercial property category in rural areas and the agricultural property category for the 2018 Budget.

A new property category was developed for large commercial properties in rural areas and the run-off coefficients from the updated Engineering Design Standards were used to determine the proposed stormwater charges for the 2018 Budget for all property categories.

Table 1 outlines the current and proposed charges for 2018.

Table 1

<b>Property Type</b>	<b>Charge-Current</b>	<b>Charge-Revised</b>	<b>Change in Charge</b>
Non-Residential (small)	41.28	43.93	<b>2.65</b>
Non-Residential (medium)	1,066.21	1,134.91	<b>68.70</b>
Non-Residential (large)	16,740.78	17,333.47	<b>592.69</b>
Non-Residential (large)-rural	N/A	10,207.47	<b>10,207.47</b>
Agricultural/Vacant	694.65	613.26	<b>(81.39)</b>
Residential (Low Density)	50.00	49.20	<b>(0.80)</b>
Residential (Medium Density)	30.61	32.08	<b>1.47</b>
Residential (High Density)	184.00	192.83	<b>8.83</b>

#### **Broader Regional Impacts/Considerations**

There are no Regional implications with the adoption of this report.



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#### **Conclusion**

As a result of the introduction of the Non-Residential (Large) – Rural and updated run-off coefficients the new Stormwater Charges are as reflected in Table 1.

**For more information**, please contact: Jennifer Rose, Director of Environmental Services, x 6116.

#### **Attachments**

N/A

#### **Prepared by**

Chris Wolnik, Manager Wastewater and Stormwater Services, x 6152

Sean Skinkle, Finance Manager, Water, Wastewater and Stormwater, x 8486



# 2018 Stormwater Charge

Finance, Administration and Audit Committee, January 22, 2018





# Purpose of the Report

- At Finance, Administration and Audit Committee on November 6, 2017, the recommendations from the Stormwater Charge in Rural Area report included:
  - *That staff review the application of the stormwater charge as implemented for commercial and agricultural properties in rural areas and bring forward recommendations for refinements as part of the 2018 Budget process, including the necessary off-setting adjustments to other property categories*

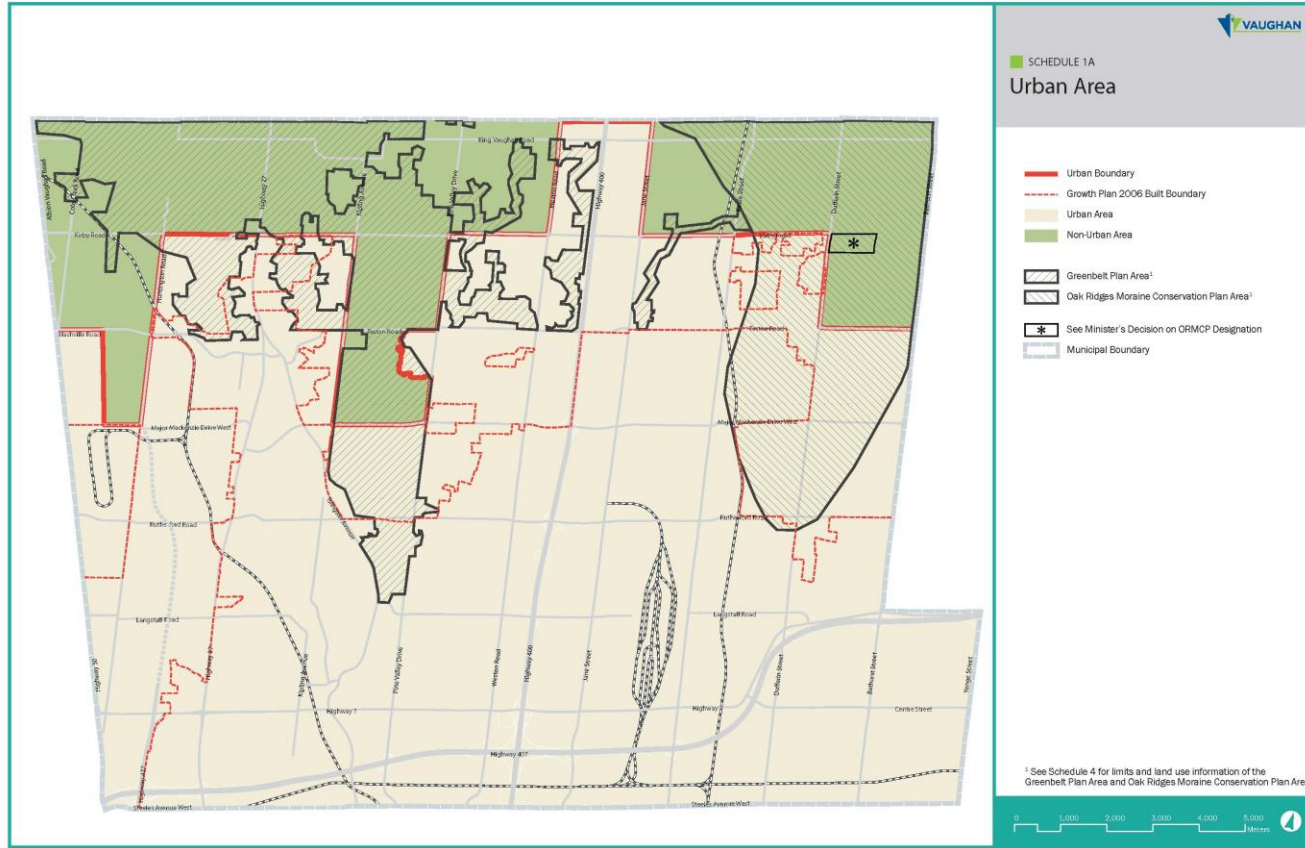


# Recommended approach for 2018

- Non-residential (Large) – Rural added as a ‘new’ property category
- Agricultural/vacant property no change
  - ❑ run-off coefficient had already been discounted when initial analysis was completed.



# Define Urban v Rural Boundary





# Other key considerations

- Engineering Design standards
  - ❑ run-off coefficients from the updated design standards were used to determine the proposed stormwater charge for the 2018 budget for all property categories
- Non-residential (Large) Rural run-off coefficient
  - ❑ 0.45 used for Non-residential (Large) Rural as opposed to 0.9 for urban large commercial properties



# Stormwater Charge Applied to Properties

Property Type	Annual Charge for 2017	Proposed charge for 2018
Industrial Commercial Institutional (ICI) (small - < 1 acres)	\$41.28	\$ 43.93
ICI (medium – 1-10 acres)	\$1,066.21	\$ 1,134.81
ICI (large > 10 acres)	\$16,740.78	\$ 17,333.47
ICI (large > 10 acres) - Rural	N/A	\$ 10,207.47
Agricultural/Vacant	\$694.65	\$ 613.26
Residential (Low)- single residential	\$50.00	\$ 49.20
Residential (Med) – townhomes	\$30.61	\$ 32.08
6 Residential (High) - condos	\$184.00	\$ 192.83



# Questions?



# Municipal Comparison – Typical Annual Stormwater Charges

Municipality	Residential (single detached)	Non-Residential (Small <1 acre)	Non-Residential (Large <10 acres)
Aurora	\$60.12	\$763.56	\$763.56
Markham	\$47.00	\$29/\$100,000 of CVA	\$29/\$100,000 of CVA
Richmond Hill	\$62.24	\$180.82	\$180.82
Kitchener	\$149.88	\$766.92	\$14,218.20
Waterloo	\$127.92	\$328.32	\$12,515.76
Mississauga	\$102.00	<\$1,546.01	<\$15,459.91
London	\$184.44	\$184.44	<\$6,140.16
St. Thomas	\$90.72	\$90.72	\$12,568.80



# Stormwater Charge Applied to Properties

Property Type	# of Units (Tax Roll #s)
Commercial	2,326
Industrial	4,608
Institutional	208
Agricultural/Vacant	4,966
Residential (Low)	67,365
Residential (Med)	10,146
Residential (High)	11,521 (180 condos)



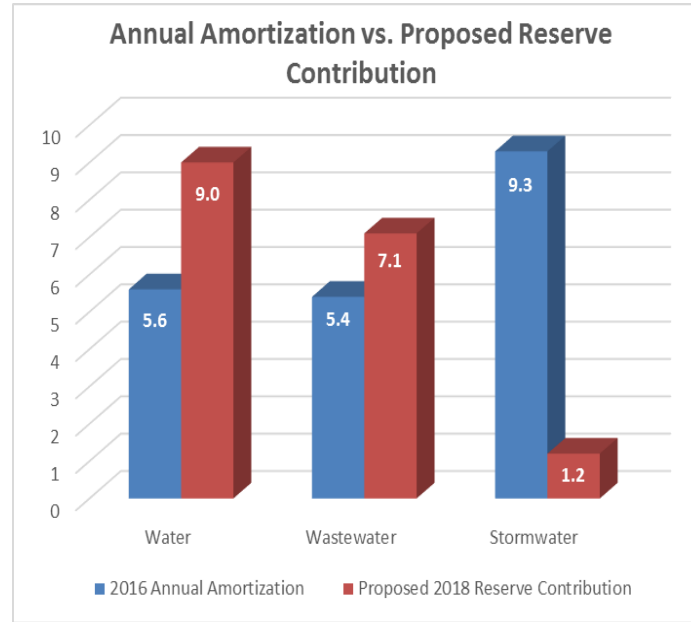
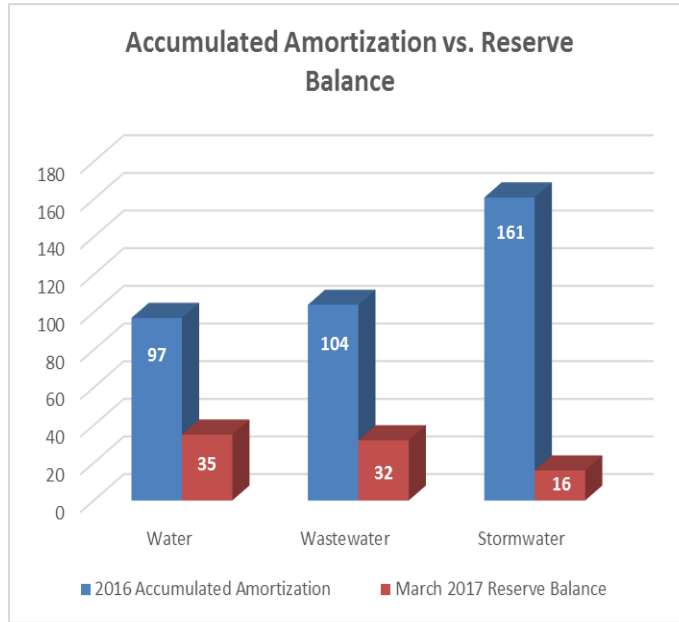
# Stormwater Charge Applied to Properties

- The stormwater run-off is applied to the acres to determine theoretical impervious (paved) area

Property Type	Run-off Coefficient	% share of Total Impervious Area
Commercial	0.75	16.49%
Industrial	0.75	31.58%
Institutional	0.75	4.61%
Agricultural/Vacant	0.10	20.23%
Residential (Low)	0.45	23.66%
Residential (Med)	0.55	2.22%
Residential (High)	0.55	1.22%



# Rate Setting





# Other approaches to Agricultural/Vacant

- Richmond Hill – residential and farm properties charge- \$ 62.24
- Markham- all properties in the non-residential including vacant land charge is \$ 29 per \$100,000 of Current Value Assessment.
- London - residential land area 0.4 ha or less without a stormdrain within 90 m is \$ 11.54/month
  - Land area above 0.4 ha is \$127.92/month per ha



Item:



## Finance, Administration and Audit Committee Report

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**DATE:** Monday, January 22, 2018

**WARD(S):** ALL

**TITLE:** 2018 Stormwater Charge

**FROM:**

Stephen Collins, Deputy City Manager, Public Works

Laura Mirabella-Siddall, Chief Financial Officer and City Treasurer

**ACTION:** DECISION

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**Purpose**

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**Recommendations**

1. That as a part of the 2018 Budget process Council approve the refinements to the Stormwater charge for the seven property types and inclusion of an eighth category: "Non-residential (large) rural";
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## **Financial Impact**

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### **Broader Regional Impacts/Considerations**

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### **Conclusion**

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**For more information**, please contact: Jennifer Rose, Director of Environmental Services, x 6116.



**Attachments**

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