



07 June 2022

**City of Vaughan  
2141 Major Mackenzie Drive  
Vaughan, Ontario**

**Attention: His Worship Mayor Maurizio Bevilacqua and Members of Council  
Todd Coles, City Clerk**

**Re: Committee of the Whole (Working Session) June 8, 2022  
Item 5 – 2. Cost Sharing  
City of Vaughan**

We are writing as an independent consulting firm interested in development engineering matters that support development in the City of Vaughan.

The report prepared for information purposes on Cost Sharing (Item 5-2) was very well presented. It is also a good representation of cost sharing in general, from the early days of development in Vaughan i.e. Woodbridge Expansion area.

It was unclear from the report whether the City's involvement with private cost sharing agreements extends further than simply requiring developers to enter into established cost sharing agreements and obtain letters of good standing. We respectfully request that Council consider a more supportive and engaging role by City staff during the preparation and administration of cost sharing agreements. It would be irresponsible of any municipality to enforce a requirement of entering into private cost sharing without actually knowing what is being cost shared. This may expose the municipality to litigation and disputes in the future should private developers find issues in matters of the private cost sharing agreement.

Furthermore, Cost Sharing agreements are dynamic – they change over time as lands originally contemplated in the schedules are actually developed. These new lands may bring forth additional requirements as a result of regulation changes that may not have been originally contemplated in the original agreement. It is important for the City to be aware of these changes and engaged as the change occurs.

This dynamic nature of the cost sharing agreement holds a great responsibility – one that is currently placed on the Trustees and private administrators. There must come a time in the life of the cost sharing agreement when there is no further cost sharing possible or eligible. If this were not the case then the original owners of cost sharing agreements described in the report from the 1990's would continue to be seeking reimbursement for infrastructure they built 30 years ago.

Lastly, cost sharing agreements need to contemplate an area of benefitting lands that have been accommodated as part of the cost sharing agreement. It is however important to note that the benefitting land may not have been originally accommodated in the designs and construction of the infrastructure or cost sharing items. For example, a storm pipe may have been built by the original developer, which benefits everyone who connects to it however, the storm pipe may not have been designed to accommodate everyone. As such landowners upstream need to undertake their own studies, engage consultants and request necessary approvals for connection since they were never part of the benefitting area. If the cost sharing agreements and the benefitting area schedules are not monitored by the City, a developer may expand their benefitting area at leisure and request payment of infrastructure from all landowners even though the infrastructure was never designed or constructed to accommodate those landowners.

It should also be said that the Development Charge Act (DC Act) dictates what is eligible for cost sharing by development. The Development Charge is another form of cost sharing for the purposes of sharing City wide benefitting infrastructure for development. In specific local benefitting type infrastructure works, typically contemplated in landowner cost sharing agreements, the DC Act permits Area-Specific Development Charges. These Area-Specific Development Charges undergo a public process and public engagement that ensures transparency and equality for all landowners.

Cost Sharing Agreements in general, provide a benefit for the continued expansion and sharing of infrastructure to support the development of major blocks and expansion areas. There should be oversight and monitoring by the City to ensure the conditions requiring land owners to enter into cost sharing agreements are supported and are being fairly administered.

Should you have any questions please do not hesitate to contact the undersigned.

Yours truly,

**ARN Project Management Inc.**



**Augusto R. Nalli, P.Eng.**  
ARN Project Management Inc.