

Committee of the Whole (2) Report

DATE: Wednesday, May 15, 2024

WARD(S): ALL

TITLE: PARTNERSHIP TO ADVANCE A PERFORMING AND CULTURAL ARTS CENTRE IN THE VMC

FROM:

Nick Spensieri, City Manager

ACTION: DECISION

Purpose

In March 2024, Council directed staff to negotiate a Memorandum of Understanding with QuadReal to guide business planning and future negotiations to advance a performing and cultural arts centre in the VMC. The purpose of this report is to seek Council authority to execute the agreement and pursue next steps.

Report Highlights

- Since 2009, in successive city-wide strategies and policies, the creative and cultural industries have been identified by Council as key priority for developing the local business community, attracting talent, and cultivating a distinct sense of place.
- A strong policy and planning context and framework exist to support the development of a Performing and Cultural Arts Centre in the Vaughan Metropolitan Centre.
- Council and staff have been actively seeking opportunities to identify a site and advance business planning for a cultural arts centre. QuadReal has been identified as an optimal partner for the development of a performing and cultural arts centre, aligned with the guiding principles outlined in the Council-endorsed Feasibility Study.

Report Highlights continued

- A Memorandum of Understanding (MOU) with QuadReal (more specifically 2748355 Canada Inc.) will confirm the framework for the negotiation of future binding agreements to deliver a Performing and Cultural Arts Centre in the VMC.

Recommendations

1. THAT Council authorize the Mayor or City Clerk to execute a Memorandum of Understanding between the City of Vaughan and 2748355 Canada Inc. on the terms set out in this Report and in a form satisfactory to the Deputy City Manager Legal and Administrative Services & City Solicitor; and
2. THAT the Office of the Chief, Communications and Economic Development communicate news and success generated by the partners and partnership.

Background

In successive city-wide strategies and policies, the creative and cultural industries have been identified by Council as an opportunity to develop the local business community, attract talent, and cultivate a sense of place.

Several foundational plans and strategies have pointed to the need for and importance of developing the VMC as an arts and creative industries hub, including:

- The York Region Official Plan (2009)
- Green Directions Vaughan (2009)
- The Vaughan Official Plan (2010)
- Vaughan Economic Development Strategy: Building a Gateway to Tomorrow's Economy (2010)
- The VMC Secondary Plan (2012/2017)
- The VMC Culture & Public Art Framework (2015)
- Economic Development Strategic Business Plan (2019)
- Feasibility Study for a Cultural Arts Centre, Phase 1 (2019)
- Feasibility Study for a Cultural Arts Centre, Phase 2 Update (2021)
- VMC Secondary Plan Review (underway: 2021 to present)

The development of the VMC as a creative and cultural hub is reflected in these policies, master plans, and strategic and business plans, including the VMC Secondary Plan; VMC Culture and Public Art Framework; the Economic Development and

Employment Sectors Study, and the Term of Council Service Excellence Strategic Plan 2022-2026.

Intentional development of physical cultural amenities is critical to facilitating the growth of Vaughan’s creative economy and creating a distinct sense of place in the emerging downtown core. Intensification of the VMC presents a unique opportunity to cultivate a thriving cultural sector and to develop a Performing and Cultural Arts Centre which will stimulate economic growth and community vitality.

A Performing and Cultural Arts Centre in the VMC can stimulate more than \$100 million in economic activity related to one-time construction, and on an annual basis has the potential to inject over \$2.5 million directly into the local and regional economy. Indirect and induced impacts, such as spending in the supply chain, hospitality sector and retail trades represents additional benefits for businesses, jobs and households in the VMC, Citywide, and in the Greater Toronto Area.

A strong planning context and framework exists to support the development of a Performing and Cultural Arts Centre in the Vaughan Metropolitan Centre.

The VMC Secondary Plan recognizes that “successful downtowns have a strong identity, sense of place and civic attractions. To these ends, it is an objective of this plan to establish civic uses and spaces in the VMC that serve residents from across the city and to realize a high quality of development and public realm initiatives. To reinforce the VMC’s and the city’s identity, the plan anticipates one or more major civic facilities, including a landmark cultural facility.

In 2018, the City of Vaughan commissioned the firms of Hariri Pontarini Architects, AMS Planning and Research, and FDA to conduct a Feasibility Study for a Performing and Cultural Arts Centre in the Vaughan Metropolitan Centre (VMC). Phases I and II of the Study provide a strong foundation for pursuing next steps to advance a performing and cultural arts centre in the VMC.

The Study has its roots in the objectives established under the VMC Secondary Plan. To reinforce the VMC and the City’s identity, the Secondary Plan anticipates one or more major civic facilities, including a landmark cultural facility.

Partnership and collaboration with landowners are critical to the successful development of physical cultural assets throughout the VMC. In Phase II of the Study, the City’s consultants engaged with major landowners, including QuadReal, Smart

Centres, and Toromont, to explore opportunities for establishing cultural facilities as anchors for creative and cultural developments in the VMC.

The next steps in this project, emerging from the Phase II study, have been to identify a site, uses, and an operational and governance model for the performing and cultural arts centre.

The guiding principles of a central performing arts centre, emphasized by the Phase I and Phase II Studies, highlight the importance of “right-sizing” the facility and including a mix of spaces which support cultural development.

The guiding principles for developing a central performing and cultural arts centre include:

- Creating opportunities for residents and visitors to experience and participate in arts & culture performances, exhibits, programs and events.
- Embracing diversity as a gathering place that welcomes people of all ages, backgrounds and abilities to collaborate to share ideas and experiences.
- “Right-sizing” the facility to be commercially viable for both community organizations and high-profile performers, ensuring that the facility is financially viable and delivers community benefits.
- Creating flexible space to support a variety of events throughout the year.
- The facility should include a mix of spaces which support creative industries development to ensure flexibility for future market demands.
- The centre should be established in a location which ensures accessibility by walking, cycling, transit and car.
- The Centre should be located in an area with supporting land uses and in proximity to parks and open space network maximizing connectivity of retail, park, play, living and working.
- The centre should be operated by a municipal services corporation, a reputable non-profit organization, or a division of the City.
- Successful centre development requires strong collaboration and partnership with a broad collation of landowners, operators, and potential users.

Given the significant potential for developing a cultural hub in the VMC, Mayor Del Duca and staff have been actively seeking opportunities to identify a site and advance business planning for a performing and cultural arts centre.

As a result, Mayor Del Duca, in consultation with City staff through the Feasibility Study process, identified QuadReal as an ideal partner for advancing the development of a performing and cultural arts centre, aligned with the guiding principles outlined in the Council-endorsed Feasibility Study.

In March 2024, Council directed staff to negotiate a Memorandum of Understanding (MOU) with QuadReal that would guide ongoing business planning and negotiations for the development of a performing and cultural arts centre.

The purpose of this report is to seek Council authority to execute the agreement with QuadReal. Once executed, the MOU will provide the basis for a business plan that will determine governance, funding, and operating models for the future performing and cultural arts centre, and for future legal agreements with QuadReal to establish terms related to these items.

Previous Reports/Authority

[Feasibility Study for a Cultural Arts Centre in the Vaughan Metropolitan Centre – December 4, 2019](#)

[Phase II – Development of a Cultural and Performing Arts Centre in the VMC – March 2, 2021](#)

[Update on the Development of a Cultural and Performing Arts Centre in the VMC – September 13, 2022](#)

[VMC Secondary Plan](#)

[VMC Culture & Public Art Strategy – November 2015](#)

[Performing and cultural arts centre plans take centre stage – News Release – March 20, 2024](#)

Analysis and Options

The performing and cultural arts centre will be a critical facility and significant milestone in ongoing city-building efforts that will provide opportunities to advance economic development and community initiatives. To advance this project, the City and QuadReal have negotiated an MOU which provides a framework for the negotiation of future binding agreements to deliver a Performing and Cultural Arts Centre in the VMC.

The non-binding MOU includes provisions which achieve the following:

- The MOU establishes the parties' intent to cooperatively advance the planning and design of a future performing and cultural arts centre.
- The MOU outlines each party's commitment to enter good-faith negotiations regarding the construction, operation and funding to bring the Performing and Cultural Arts Centre to fruition in accordance with the provisions of the *Planning Act*.
- The MOU affirms that QuadReal acknowledges and agrees that nothing contained in the MOU shall in any manner limit or restrict the normal exercise of discretion of City staff or fetter the discretion of City Council in any way, including the consideration and approval of any development applications pursuant to the *Planning Act*.

Following the execution of the MOU, the next steps in bringing this project to fruition would be the completion of a business plan to identify options for built form, governance, financial, and operational models. Staff will bring the results of the study to a Council in the future for consideration and direction.

Financial Impact

There is no direct financial impact at this time. The completion of the performing and cultural arts centre business plan will be funded by an Economic Development capital budget allocated to this initiative.

Operational Impact

Future operational impact will be determined through the business planning process for the facility. Economic Development and Development Planning will consult with other departments to conduct the appropriate operational planning.

Broader Regional Impacts/Considerations

The potential development of a performing and cultural arts centre may have implications for York Region's Centres and Corridors and its Economic Development Action Plan. Staff will ensure that York Region Planning and Economic Strategy, the

Vaughan Chamber of Commerce, the York Region Arts Council, VMC stakeholders and landowners, and other relevant stakeholders are informed of potential impacts.

Conclusion

Cultural facilities and amenities are essential cornerstones of vibrant cities. Over the last 10 years, Vaughan has pursued intentional development of arts, culture, and the creative economy to enrich quality of life for residents and animate the emerging VMC. Several foundational plans and strategies have pointed to the need for and importance of developing the VMC as an arts and creative industries hub, including: the VMC Secondary Plan, Vaughan Economic Development Strategy, and the VMC Culture & Public Art Framework.

Given the significant potential for developing a cultural hub in the VMC, and the anticipated economic and social impacts, identifying a site and advancing business planning for a performing and cultural arts centre have been key priorities for Council. An MOU will set the framework for the negotiation of future binding agreements to deliver a Performing and Cultural Arts Centre in the VMC.

For more information, please contact: Raphael Costa, Director, Economic Development, ext. 8891

Attachments

N/A

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