

# Committee of the Whole (1) Report

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**DATE:** Tuesday, October 8, 2024

**WARD:** 1

**TITLE: TESTON ROAD EAST AND WEST SANITARY  
INFRASTRUCTURE AREA SPECIFIC DEVELOPMENT  
CHARGES PUBLIC STATUTORY MEETING**

**FROM:**

Michael Coroneos, Deputy City Manager, Corporate Services, City Treasurer and Chief Financial Officer

Vince Musacchio, Deputy City Manager, Infrastructure Development

**ACTION:** DECISION

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**Purpose**

To facilitate and provide information pertinent to the Public Meeting regarding the Draft Development Charges Background Studies and By-Laws for the Teston Road East and West Sanitary Infrastructure Area Specific Development Charges (ASDCs).

**Report Highlights**

- Public Statutory Meeting is being held in accordance with the Development Charges Act, 1997 for the Teston Road East and West Sanitary Infrastructure ASDCs.

**Recommendations**

1. That a report be brought to the November 12, 2024, Committee of the Whole (2) meeting, summarizing and addressing, as necessary, the deputations received at the October 8, 2024, Teston Road East and West Sanitary Infrastructure ASDC Public Statutory Meeting;
2. That the draft Teston Road East and West Sanitary Infrastructure ASDC Background Study [Attachment 1] be received; and

3. That the draft Teston Road East Sanitary Sewer and Teston Road West Sanitary Infrastructure ASDC By-Laws [Attachments 2 and 3] be received.

## **Background**

The Draft ASDC Background Study and By-Laws for the Teston Road East and West Sanitary Infrastructure were originally presented to Council at the September 17, 2024, Committee of the Whole (2) Meeting, Item #2 which is linked below.

In 2020, the City initiated the City-Wide Integrated Urban Water Plan to support projected growth to 2051. This plan was finalized in early 2024 and includes a comprehensive listing of capital expenditure requirements for new and expanded water, wastewater and stormwater infrastructure. As a part of this work, the Teston Road East and Teston Road West Sanitary Infrastructure were identified as infrastructure that would be required in the short term in order to increase capacity in the area and facilitate development in Block 27, 28, 34, 35, 41, 42 & 49.

As development has already begun to occur in the area where the infrastructure is required, it was determined that an ASDC Study should be undertaken for both Teston Road East and Teston Road West as soon as possible, to establish ASDC rates, to allow the City to maximize the ASDC collections from the benefitting landowners. The total cost of the works for Teston Road West Sanitary Sewer Works is approximately \$148.8 million and approximately \$27.5 million for Teston Road East Sanitary Sewer. These costs, benefitting land areas, and draft ASDC rates will continue to be further refined through the ongoing ASDC consultation process.

## ***Communications Strategy***

A kick-off meeting took place with the development industry regarding the Teston Road East and West Sanitary Infrastructure on August 14, 2024, where the draft rates and benefitting map areas were presented. Two additional meetings were held on August 29, 2024, and September 17, 2024 to discuss the technical aspects of the study and written correspondence has also been exchanged.

Further meetings will be scheduled as required through October to further discuss the cost assumptions being used as the basis of the charge. Any resulting changes to the background study and ASDC rates will be consolidated into a final draft of the Study in November. If it is determined through consultation that more time is needed to conclude the discussion, staff will adjust the November approval timeline. Staff are moving as quickly as possible to ensure that all of the benefitting landowners will be subject to the charge with the understanding that the DC Freeze provisions in the

Development Charges Act allow DCs to be frozen at an earlier stage of development than for previous ASDCs therefore the rate must be emplaced as soon as reasonably possible.

### **Previous Reports/Authority**

[Teston Road East and West Sanitary Infrastructure Area Specific Development Charges](#)

### **Analysis and Options**

The Development Charges Act has mandatory communication requirements that require the advertising of at least one public hearing and the Clerk is mandated to carry out such advertising at least 20 days in advance of the meeting date. The Public Statutory hearing was scheduled for October 8, 2024, and was advertised on YorkRegion.com through a digital public notice on September 17, 2024.

Both advertising of the Public Meeting as well as pertinent information such as the draft Development Charge Background Study and By-law was also made available on September 17, 2024, on the City's website.

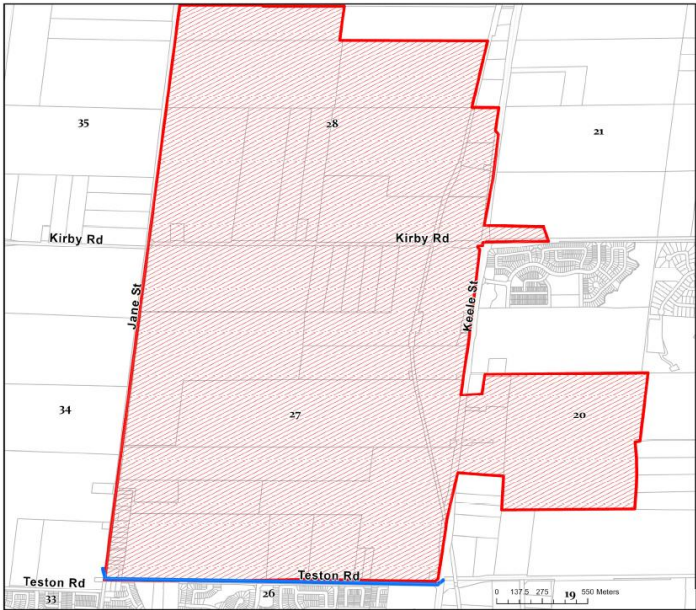
Subsequent to Council approval of the Development Charge Background Study and the Teston Road East and West Sanitary Infrastructure ASDC by-law, appropriate notices will be provided by the Clerks Department as prescribed by the Development Charge Act.

### **Financial Impact**

The City of Vaughan typically uses ASDCs to fund growth-related wastewater and storm drainage services where the benefitting lands can be clearly identified. This allows for the lands directly benefiting from the infrastructure to assume the costs that directly supports their development. The ASDC rates being proposed are on a per net developable hectare basis as is consistent with other greenfield ASDCs that already exist in the City.

**Teston Road East Sanitary Sewer ASDC Rates**

The Teston Road East Sanitary Sewer cost is estimated at \$27.5 million with a net benefiting area of 443.55 hectares. The works include a sanitary sewer that runs along Teston Road from Jane Street to Keele Street. The benefitting map area includes the following lands:

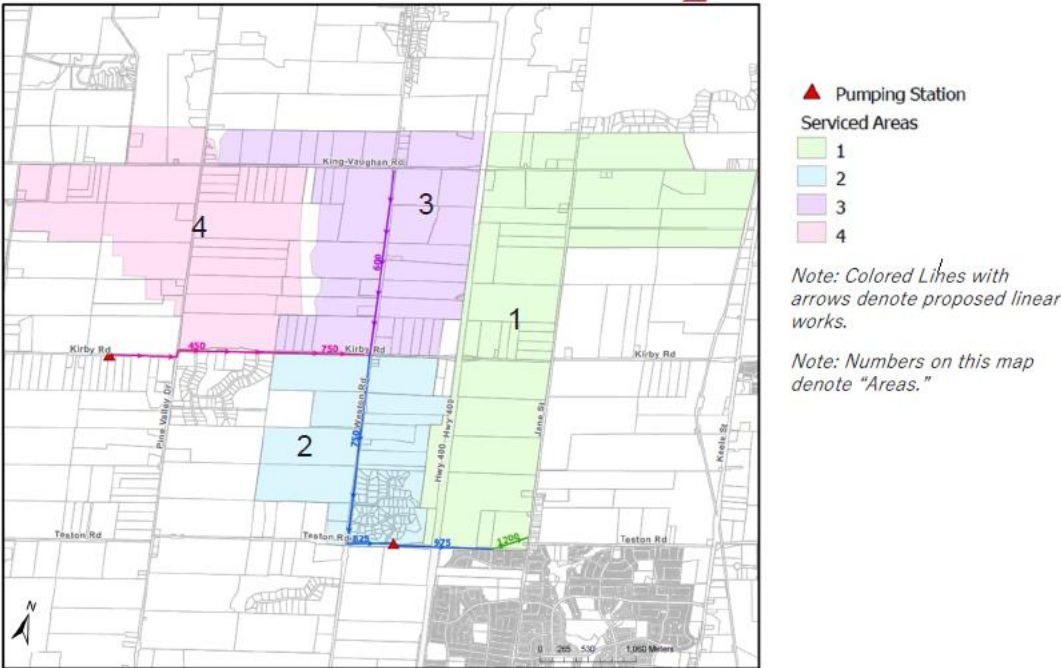


This results in a per hectare rate as follows:

Teston Road East Sanitary Sewer	Net Cost	Net Developable Area	Charge per Net Hectare of Developable Area
TESTON ROAD SANITARY SEWER - EAST	\$ 27,573,405	443.55	\$ 62,165

# Teston Road West Sanitary Infrastructure ASDC Rates

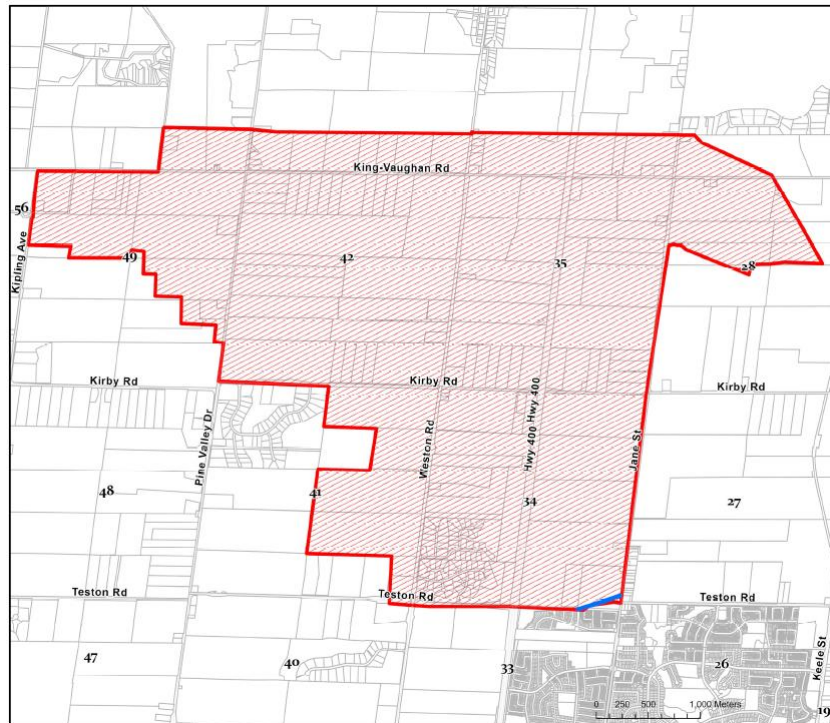
The Teston Road West Sanitary Infrastructure costs are divided into four (4) benefiting map areas which are made up of a combination of four (4) service areas determined by whose is benefiting from the infrastructure. The service areas are as follows:



Each map comprises a benefiting area for portions of the infrastructure with some of the benefiting map areas overlapping where lands benefit from more than one component of the overall infrastructure. This results in 4 benefiting land area maps as follows:

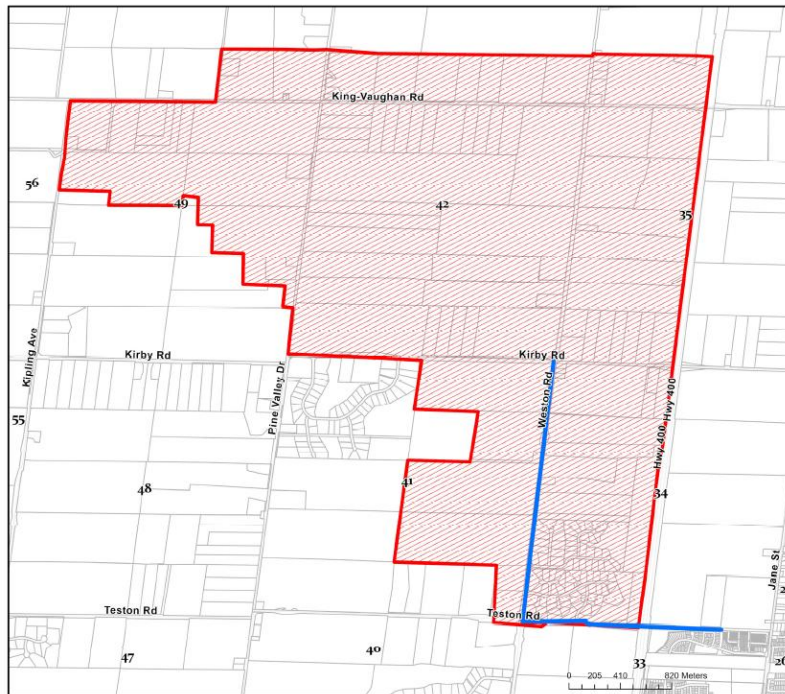
## Map 1: Segment A - Teston Road 1050 mm Diameter Sewer

This includes a sewer that runs from Shipwell Street/Mosque Gate to Jane Street. Map 1 benefits all four of the service areas described above. The estimated cost of the works is \$4.4 million with a benefitting area of 1,164.03 hectares including the following lands:



## Map 2: Segment B – Weston/Teston Road Sewer and Pumping Station

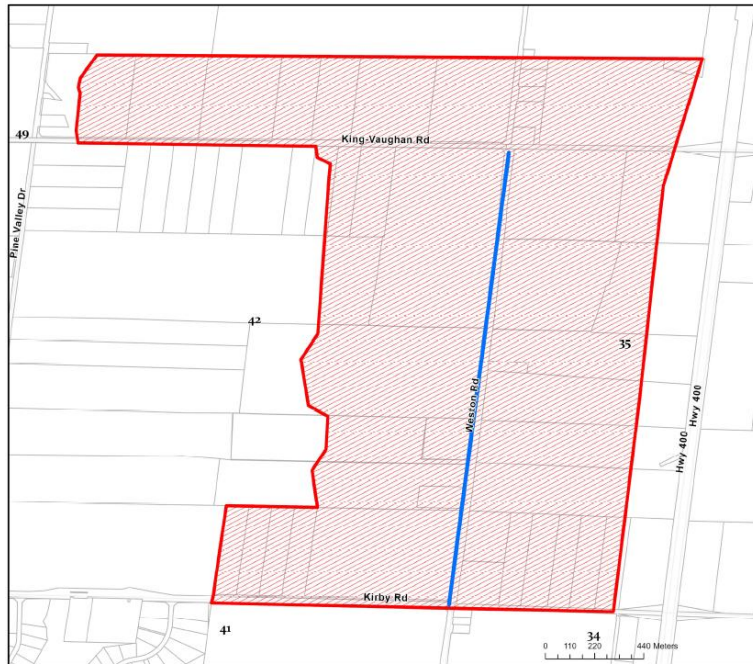
This includes a sewer that runs along Weston Road from Teston Road to Kirby Road, and on Teston Road from Weston Road to Shipwell Street/Mosque Gate. Map 2 benefits services areas 2, 3 and 4 as described above. The estimated cost of the works is \$90.7 million with a benefitting area of 731.55 hectares including the following lands:





### Map 3: Segment C – Weston Road – Kirby Road to King Vaughan Road

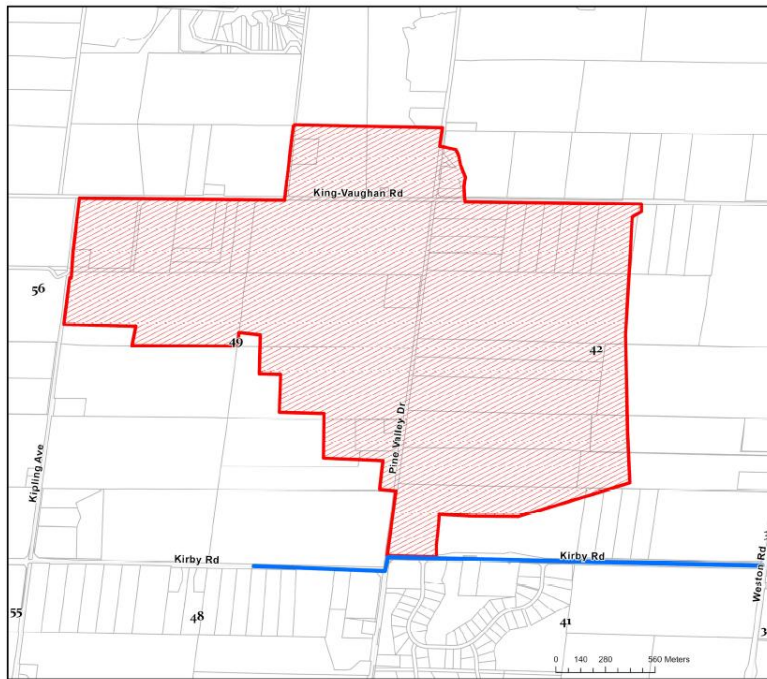
This includes a sewer that runs along Weston Road from Kirby Road to King Vaughan Road. Map 3 benefits services area 3 as described above. The estimated cost of the works is \$7.97 million with a benefitting area of 274.14 hectares including the following lands:





## Map 4: Segment D – Kirby Sanitary Sewer and Pumping Station

This includes a sewer that runs along Kirby Road from Weston Road to the West of Pine Valley Drive. Map 4 benefits services area 4 as described above. The estimated cost of the works is \$45.8 million with a benefitting area of 265.05 hectares including the following lands:



This results in four (4) per hectare rates as follows:

Teston Road West Sanitary Infrastructure	Map	Net Cost	Net Developable Area	Charge per Net Hectare of Developable
SEGMENT A - TESTON ROAD 1050mm DIAMETER SEWER	Map 1	\$ 4,363,580	1,164.03	\$ 3,749
SEGMENT B - WESTON/TESTON ROAD SEWER & PUMPING STATION	Map 2	\$ 90,716,184	731.55	\$ 124,005
SEGMENT C - WESTON (KIRBY TO K/V) SEWER	Map 3	\$ 7,973,003	274.14	\$ 29,084
SEGMENT D - KIRBY SANITARY SEWER AND PUMPING STATION (KIRBY)	Map 4	\$ 45,750,200	265.05	\$ 172,610

## ***ASDC charges by service area***

As the ASDC benefitting map areas and associated rates impact multiple services areas depending on the service area location, lands may be impacted by more than one of the rates listed above. Below is a table that shows the total charge by service area:

<b>Development</b>	<b>Benefitting Infrastructure</b>	<b>Total Applicable Charges per net ha</b>
Lands Located in Area 1	Segment A (Map 1)	\$ 3,748.68
	<b>TOTAL</b>	<b>\$ 3,748.68</b>
Lands Located in Area 2	Segment A (Map 1)	\$ 3,748.68
	Segment B (Map 2)	\$ 124,005.07
	<b>TOTAL</b>	<b>\$ 127,753.75</b>
Lands Located in Area 3	Segment A (Map 1)	\$ 3,748.68
	Segment B (Map 2)	\$ 124,005.07
	Segment C (Map 3)	\$ 29,084.04
	<b>TOTAL</b>	<b>\$ 156,837.78</b>
Lands Located in Area 4	Segment A (Map 1)	\$ 3,748.68
	Segment B (Map 2)	\$ 124,005.07
	Segment D (Map 4)	\$ 172,609.70
	<b>TOTAL</b>	<b>\$ 300,363.44</b>

***Financing costs have been included in the rate calculation.***

As it is assumed that the City will be required to construct the majority of the works in advance of the bulk of the ASDC collections, financing costs have been incorporated into the rate to support financing costs to the City which will be paid from the ASDC collections over time. The financing was assumed at 4.38% over a 20-year term.

## **Operational Impact**

N/A

## **Broader Regional Impacts/Considerations**

The Teston Road East and West Sanitary Sewer Infrastructure works will outlet to York Region's future Jane Street sanitary trunk sewer at Teston Road and Jane Street. As part of York Region's Northeast Vaughan Wastewater Trunk sewer works, the Region's Jane Street trunk sewer is expected to be in service by Q4 2028.

## **Conclusion**

Completion of the Teston Road East and West Sanitary Sewer Works is vital in ensuring that the infrastructure that is required to support growth is undertaken in alignment with anticipated development. The proposed ASDC Background Study and By-laws will ensure that the funding is in place to support the construction of this infrastructure in such a way as growth pays for growth.

**For more information**, please contact: Brianne Clace, Project Manager of Development Finance, ext. 8284 or Nelson Pereira, Manager of Development Finance, ext. 8393.

## **Attachments**

1. Draft Teston Road East and West Sanitary Infrastructure Area Specific Development Charges Background Study, Hemson Consulting Limited.
2. Draft Teston Road East Sanitary Sewer ASDC By-Law.
3. Draft Teston Road West Sanitary Infrastructure ASDC By-law.

## **Prepared by**

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